

London Assembly Housing Committee – Tuesday 20 July 2021

Transcript of Agenda Item 9: Decarbonising London's Homes: The Challenge of Retrofitting

Siân Berry AM (Chair): Can I welcome today our guests and thank them for joining us today. We have Shirley Rodrigues, Deputy Mayor for Environment and Energy, Susan French, Chief Executive of Barnsbury Housing Association and Vice Chair of the g320 group of small and medium housing associations. We have Councillor Adam Harrison, Cabinet member for a sustainable Camden in the London Borough of Camden and Bradley Tully, Senior Public Affairs Officer from the Royal Institution of Chartered Surveyors. Thank you for being here. Then remotely we have James Hardy, Head of Energy for the Greater London Authority (GLA).

Shirley [Rodrigues], my questions to begin with are the absolute basics of what is a zero-carbon home, how much does it cost? How do you define a carbon-neutral home when it comes to homes that already exist and refitting them? Is this based on achieving a specific Energy Performance Certificate (EPC) rating? Is that different as a standard from what happens with new homes?

Shirley Rodrigues (Deputy Mayor for Environment and Energy): Thank you for inviting me to talk about this really important topic. It is critical that every sector takes action on climate change, reducing our greenhouse gas emissions. Housing, as Assembly Member Berry mentioned, is responsible for about a third of London's emissions. Therefore a huge sector but a really difficult one. I am sure you will hear that from everybody, including myself and James [Hardy] about how difficult it is to tackle that area.

In terms of what do we mean by a carbon-neutral home, what we try to do is reduce as much as possible the energy demand from the home. That is through things like insulation. But then also trying to make sure that the energy used in the home is as zero-carbon as possible, ideally through renewable energy, but increasingly our grid is being decarbonised. It is one of the success stories that we have. Eventually we would hope that is fully decarbonised. Then that nets off both areas and that gives you the zero-carbon home. Ideally what we would like is that the home produces more energy than it uses so that it helps others to offset their energy production or greenhouse gas production.

In terms of EPC, they are not the same, because EPCs, if you buy a home or even rent now, they are really just about how much it costs in terms of running the home. It is not really a good measure of the impact it has on carbon or much on energy performance. There are other newer approaches that would be better as a carbon metric or generally about the house or building performance.

Siân Berry AM (Chair): Is that different for a new home than it is for an existing home, if you are talking about carbon-neutral standards? It must be very hard to get a home that already exists down to true zero.

Shirley Rodrigues (Deputy Mayor for Environment and Energy): Yes. In the London Plan we have a series of actions that we seek developers to use and there is a hierarchy that they go through. Ultimately, there is a mechanism to offset any emissions through financial payment, anything they cannot minimise through use of renewable energy, heat pumps and so on, or through the fabric, the building insulation.

Siân Berry AM (Chair): They get down as low as they can and they also make a payment for anything that is left?

Shirley Rodrigues (Deputy Mayor for Environment and Energy): At the moment, yes. But ideally over time we are going to be getting much better methods of construction and retrofitting, which then we would hope would mean there is no need for an offsetting payment. But Bradley [Tully] is better qualified to be able to give you more information about that.

Siân Berry AM (Chair): Not to worry. Can we ask you though what analysis you have been doing of the scale of need in London? We have 3.5 million homes approximately, most of which already exist. They need some form of retrofitting to achieve the Mayor's carbon goals. What is the need in terms of the number of homes needed to treat and the amount of work involved?

Shirley Rodrigues (Deputy Mayor for Environment and Energy): To get to our climate targets, whether it is 2050, the United Kingdom (UK) Government's new target, or the Mayor's, pretty much every home is going to need to have some form of retrofitting. The social housing sector, there are 750,000 homes that need to be retrofitted. We have done an analysis, the London Building Stock Model that looks at the EPC ratings to give us a proxy of how poor or well they are doing on energy efficiency. We have a really complicated system in London of housing tenure. Lots of flats, solid walls, conservation areas, all of these things make it really difficult to crack the retrofitting of our homes and to make them more fuel-efficient, let alone zero-carbon.

Siân Berry AM (Chair): You said all of the homes need to be treated. That is 3.5 million homes need something doing.

Shirley Rodrigues (Deputy Mayor for Environment and Energy): Yes, and they will need different things. Some will need a massively intensive approach, a whole house retrofit, which is some of the things that we have been working on through our accelerators. Others that have been more newly-built that have been following, for example, London Plan standards will have less of an issue. They are pretty efficient at the moment. But over time, if we are really going to get as much out of all of our homes to contribute to that target, then there may be things that they need to do as well.

Siân Berry AM (Chair): Have you done any analysis of the cost of all of this at a London level?

Shirley Rodrigues (Deputy Mayor for Environment and Energy): At a high level. When we did the 1.5°C [Compatible Climate] Action Plan, the Paris compliant action plan, we estimated that to get to that plan it would need £61 billion worth of spend to tackle our infrastructure. That is not all on homes, but it is mostly on homes or the related infrastructure. It is things like insulation, heat pumps, boilers, some of the energy infrastructure that would be needed as well. There is a little bit in there about the transport infrastructure.

But these numbers vary a lot because it depends on what people take into account in terms of measures, how difficult it is to treat the homes. That is an estimate. We have seen other estimates across the UK of £500 billion, lots of cost. That is really what we are trying to do now is to get a better assessment of what is needed. We have been funding, for example, some work with London Councils to look at their social housing stock to see what that might cost to get to a better energy efficiency rating and zero-carbon. We are updating our modelling for the 1.5°C Plan to look at what impact that has in terms of the pace and scale of change that we need and also some costs. We have been talking to organisations like the Green Finance Institute and others about the financial mechanisms that we are going to have to bring to play.

While there is some Government grant to help with this, and I am sure we will come on to talk about that, the scale of the order of sums that we need means that we are looking at the private sector finance flows that we need to be moving, along with lots of other things around transportation and a lot of the other resilience of our infrastructure that we also need to look at in terms of overheating or flash-flooding.

Siân Berry AM (Chair): Just to reiterate, you have an estimate of £61 billion for London over a timescale of less than 10 years now?

Shirley Rodrigues (Deputy Mayor for Environment and Energy): No, that would be for the 2050 target. That would be probably 20 years. But what we are doing is updating that modelling.

Siân Berry AM (Chair): Yes, because the Mayor's target is now 2030. But presumably it will be roughly the same amount in order of magnitude but over a much shorter time period.

Shirley Rodrigues (Deputy Mayor for Environment and Energy): Given the time period is contracted, it may be more expensive because you are trying to do more, quicker. But we have new technologies that are coming on all the time. We still have a lot of technologies like heat pumps that have not really been trialled at scale. It is a bit like some of the conversations we will have about the Innovation Partnership. The cost of retrofitting a home very simply is something like £50,000. But if you were to do a whole house deep retrofit it is much more expensive, probably double if not more. But if you do these things at scale then you can bring the cost down and that is what we are trying to do through that mechanism.

Siân Berry AM (Chair): We will talk more about your initiatives later. But in very broad terms, what goals has the Mayor set in his new manifesto for how much retrofitting will get done during this mayoral term, which we know is only three years rather than the usual four?

Shirley Rodrigues (Deputy Mayor for Environment and Energy): We have programmed targets for the things like the accelerators that we have set up. There is an overall target, which we are updating for the new 2030 target in terms of our 1.5°C [Compatible Climate Action] Plan. There is an aspiration for all homes to be retrofitted but that really is subject to powers, funding, supply chain, and of course the difficulties of working in London in terms of the stock that we have. There are so many different tenures and types of stock, they all need pretty much an individual plan for how you would treat them and a costing. Then how do you mobilise around those. All of that needs an assessment. I cannot give you a target.

Siân Berry AM (Chair): No, that is what this whole meeting is about. But do you have an assessment of what is currently in train within the current programmes, just the broad total of homes you might treat?

Shirley Rodrigues (Deputy Mayor for Environment and Energy): I do not have a total but I can certainly send you the detail. But, for example, our retrofit accelerator on homes is looking to do 1,678 homes to be supported by mid-2022. Our Warmer Homes Programme, which is giving grants to low-income households for energy efficiency measures, we have already supported 1,157. We are looking to support another 1,188 during the second phase, which ends this year. Those are two.

Siân Berry AM (Chair): We will obviously ask more detail about those programmes. Just in broad terms then, we have millions of homes that need to be treated and so far under the current abilities that we have to raise money we are doing ones of thousands. This is the difference that we just want to get across at the beginning of this meeting.

Shirley Rodrigues (Deputy Mayor for Environment and Energy): It is absolutely a challenge that the UK faces. This is not just a London issue. This is why the advocacy that we, UK100, local authorities, London Councils, the Local Government Association (LGA), and obviously the private sector, are really pressing for some long-term certainty from Government about the policies and the programmes to meet those targets. For their own target, the UK's target, let alone any accelerated targets that we and other local authorities have set. It is a massive challenge, but we have done these things before and it is just trying to put these frameworks in place to get that concerted and collaborative effort. Some of the things that we have been doing that we talked about are collaborative programmes with, for example, London Councils, with the private sector, to try to get this push that we need across the country.

Siân Berry AM (Chair): Susan [French], can we stick to broad targets and numbers for the moment?

Susan French (Chief Executive of Barnsbury Housing Association and Vice Chair of the g320): Just going to the other end of the scale, I run a very small housing association and we have been doing quite a lot of work on this, just in terms of cost. We are working to a target of getting all of our homes an EPC of C by 2030. The Government is currently consulting about bringing that date forward to 2028. Currently we have done EPC almost across all of our stock just to establish our starting point and we know that about 60% of our homes are going to need work to bring them up to even EPC-C, which is a long way below net zero.

We have been working with some building energy efficiency specialists and we have built into our business plan £25,000 per property on average to bring homes up to that target, which is just for our small organisation, £7.5 million.

Siân Berry AM (Chair): That is really useful, just to bring that down to the grass roots level. Then, Adam [Harrison], I believe that Camden has done a broad estimate of the retrofitting needs of the borough. Is that right? At a borough level what are we talking about?

Councillor Adam Harrison (Cabinet member for a sustainable Camden, London Borough of Camden): In Camden, we have around 100,000 homes, about a third of which are directly owned and managed by the council. In terms of the work that we think we need to do to retrofit our own stock, depending on how far you go and how quickly the grid decarbonises, that could cost up to around £750 million. But we are also currently in the process of understanding how much it would cost to retrofit the entire stock within the borough. That is still a work in progress, but it is looking closer to the £750 million mark. That is with quite a deep retrofit.

Siân Berry AM (Chair): That is just for the council-owned buildings. Does that include the leaseholds?

Councillor Adam Harrison (Cabinet member for a sustainable Camden, London Borough of Camden): Yes.

Siân Berry AM (Chair): That is £750 million in one borough. Thank you very much, Adam. Elly [Baker AM] wants to come in with some supplementary questions.

Elly Baker AM: Shirley, you talked about the target dates a bit, but just to clarify, the national target for net zero homes is 2050 but the Mayor has set the ambition for London to be a zero carbon city by 2030. Can you confirm that the target date for homes in London is still 2050 and just briefly explain the difference between the targets?

Shirley Rodrigues (Deputy Mayor for Environment and Energy): The net zero carbon target that the Government has set is 2050 and it has brought that forward in terms of 78% emissions reductions by 2035. That comprises lots of different sectors, transport, housing, etc. Similarly, the Mayor has set a target for London to be a net zero carbon city by 2030. Again, within that, we have housing, transportation, workplaces and so on. Housing is about a third of those emissions and we want all of our emissions to be net zero by 2030. But that is going to involve some level of offsetting because you cannot get to net zero completely, whether it is UK or London. Because of things like shipping and aviation and so on. Therefore there will be an element of offsetting. But within that we are trying to bring down all of those emissions to net zero as fast as possible.

Elly Baker AM: Thank you. You mentioned that EPCs are not necessarily the best measure. The Mayor has said that building renovation passports could be a better measure. Can you explain what those are and why you believe they are better?

Shirley Rodrigues (Deputy Mayor for Environment and Energy): Yes. Lots of people are talking about them because they act as a logbook for your building, your house, or in fact any building. It sets out in much more detail a whole host of issues about the building performance, not just the cost of running it, but its carbon performance. It can look at air pollution, the air quality of it. It also then acts as a way of logging any renovations that you may have done. But also crucially it sets out a pathway to get to net zero and gives you a way of then ticking those off and recording that.

It also acts as a way of building the market. It acts as a way for installers or financiers; therefore mortgage lenders can use it to assess the risks of the mortgage lending on it. You have installers looking at if you have a quantum of these you can understand what the market might be and then that might lower costs. It is really useful for a whole host of industries, but also a way of ramping up the retrofit of a building. Then of course when you move or when you sell that goes on to the next occupant who can then see what the history of the house is.

Andrew Boff AM: I wanted to know whether or not the affordable housing programme that we have at the moment is building homes that are satisfactory in terms of climate change and our target net zero.

Shirley Rodrigues (Deputy Mayor for Environment and Energy): No affordable housing programme across the country does that. [Councillor] Adam [Harrison] maybe you can comment on it a bit more. But they are working to things like the Decent Homes Standard, which I believe there is a consultation on at the moment. That does not mandate, for example, net zero. It has not caught up with the sort of approach that we take to the London Plan in London. Those are the things that we would want to be reflected better so that the whole country is building housing that is really fit for a whole host of things, including helping to mitigate climate change. Also, increasingly, being resilient to the impacts of climate change that we are seeing at the moment.

Andrew Boff AM: Therefore, new homes that are being built at the moment are not compliant and will have to be retrofitted; is this what you are saying?

Shirley Rodrigues (Deputy Mayor for Environment and Energy): No, new homes, the London Plan homes, if they are being built according to the London Plan, yes. But they also apply a Decent Homes Standard. This is slightly out of my ...

Andrew Boff AM: Sorry, just to be clear, you are saying if they are built to London Plan standards then they will be compliant?

Shirley Rodrigues (Deputy Mayor for Environment and Energy): They should be compliant. They will get as close to net zero as possible. But, as I mentioned, if they do not there is an offset mechanism as well.

Andrew Boff AM: Are you quite confident that those homes, we will not have to revisit what is being built at the moment and then retrofit those?

Shirley Rodrigues (Deputy Mayor for Environment and Energy): No, I would not say that, because there is a little bit that they cannot quite get because our technologies are not quite there or the development, we tried to maximise as much as possible the energy efficiency and their contribution to net zero, but it is never quite 100%. Those homes are better than the ones that we have already, but they are not perfect and they will at some point need to be retrofitted ...

Andrew Boff AM: Bearing in mind the Mayor himself has declared a climate emergency, why are we not attending to what we are building now?

Shirley Rodrigues (Deputy Mayor for Environment and Energy): The Mayor is already building better standards than the Government requires. We have standards in the London Plan that go far beyond what the Government is mandating and we are securing, for example, carbon savings in the order of 41% more than building regulations. We have been advocating to Government to reinstate the zero-carbon homes standard that they abandoned several years ago and follow the London Plan. If they did that, we would be getting a much better carbon greenhouse gas emissions reduction performance than we are getting at the moment through Government policy. We really want to see that change. This is a huge opportunity through the planning network, the planning frameworks, through what we do through affordable housing, through our transport networks, to take action on climate change.

Andrew Boff AM: I am still a little confused. The new affordable housing programme for 2021 to 2026, the houses that we are building there, at some point we will have to revisit. Is this what you are saying?

Shirley Rodrigues (Deputy Mayor for Environment and Energy): I am saying they are as zero-carbon as we can get them, they are as close to zero-carbon as they can get them, if they are following the London Plan. But all buildings, whether they are built in London or beyond, do not hit zero-carbon exactly because there are still things that need to be done. They will need to be retrofitted ...

Andrew Boff AM: What are those things that need to be done? Is it needing more money? The things that need to be done to make them zero-carbon.

Shirley Rodrigues (Deputy Mayor for Environment and Energy): It is probably a combination of technology. I do not know, James, if you know, you can jump in here and maybe help out.

James Hardy (Head of Energy, Greater London Authority): Yes, of course, what you are saying is absolutely right. Sometimes it is not economically feasible or possible within delivery timescales for developers to achieve zero on site. As Shirley said, what the Mayor has done is brought forward what would have been a zero-carbon standard that the UK Government was going to introduce back in 2016 and then subsequently pulled. Effectively, we have gone well above and beyond what would have been the ambitious national target. But it is still sometimes uneconomic and unfeasible technically for some developers to achieve net zero on site.

Therefore, we have an offsetting mechanism, which means that the level of carbon emissions that they cannot achieve on site is monetised and that money goes into local retrofitting schemes. The aggregate is always the same amount of carbon that one would achieve if they could do it on site but it is delivered elsewhere through other means.

Andrew Boff AM: Thank you.

Siân Berry AM (Chair): Thank you. I was going to try to bring you back from impinging on planning issues, but it is a good point if there is going to be works to be done on new homes that then become existing homes in need of work. Moving on now to the next section, about the Mayor's initiatives. For that we have the Deputy Chairman of the Committee, congratulations to you on that, Assembly Member Devenish.

Tony Devenish AM (Deputy Chairman): Thank you, Chair. Good morning, Deputy Mayor. Could we turn to the Innovation Partnership please? Could you start by saying what it is for the viewers on the webcast? What is the current status of the bidding process as well please?

Shirley Rodrigues (Deputy Mayor for Environment and Energy): I talked a little bit earlier about the approach that we are going to need in London and elsewhere to really ramp up the efficiency of our homes and to go into the deep house retrofit that we need now. In the past, we have done insulation measures, which have been really about glazing or a little bit of insulation, nothing really significant. That has helped reduce carbon, but it is not the order of magnitude that we need to reach net zero. This deep house retrofit is really taking a whole building approach and it needs a lot more collaboration between those that have the problem, that own the problem in terms of whether it is owner occupiers or housing associations or local authorities who have the stock. Or the building companies, that can help come up with the solutions. There has been quite a piecemeal approach across London.

What we decided to do in London was to try to bring those actors together to really target a way of ramping up the retrofit approach that we have in London. The Innovation Partnership was procured, we started in 2020 talking to people about how we might bring people together and what sort of approach might help facilitate boroughs, housing associations and those developers, coming together to look for stages of deep retrofit. Things like assessing, to look at Camden, what is the housing stock, what sort of delivery plan would they need, what financing they might need as well. What do their residents want out of this deep retrofit and what are their concerns. Then they can come up with a plan for action.

Then it would be working with a select number of builders off a framework to develop a prototype approach to that. Then thinking about how any technical problems might be solved. These are new approaches, deep retrofit. You might have seen the initiative in the Netherlands called Energiesprong, which is for zero-carbon homes, Energy Leap. Because of, as I mentioned already, the type of housing that we have, we will need different approaches. You are going to have to have different approaches for flats, to flats in conservation areas, to new builds and so on.

They all come together to prototype an approach, then test and refine it. It is at that point that you start to get the confidence then to scale up. That scale-up will then bring the price down, then you get that commercialisation and delivery. All along through that, we are also building the supply side, getting people to understand these are new approaches, therefore they need new skills. That is part of a problem that we have already with the existing retrofit approach that we are taking.

In terms of where we are in the partnership, we announced the partnership had been created earlier this year. We have seven London-based housing providers who are agreeing to pilot part of their housing stock in this approach. That is Lambeth, Ealing, Haringey, Barking and Dagenham, Sutton, Enfield, and Hammersmith and Fulham. What we are doing at the moment is finalising the long list of suppliers who will be working with them. I cannot name them just yet because we are just going through the final elements of the procurement process, which was an Official Journal of the European Union (OJEU) based process. Anybody familiar with that knows that it takes some time to sign off and then get the legal sorted out. But we made great progress and we are looking forward to working with those boroughs and those developers to get started on that approach.

Tony Devenish AM (Deputy Chairman): To be clear, you are choosing seven local authorities for the first round and then you will appoint a bunch of contractors under those?

Shirley Rodrigues (Deputy Mayor for Environment and Energy): The seven have said that they want to participate, we have not appointed them. We would love all 33 boroughs to participate. This is not just a partnership. We are starting with local authorities because we want to work with those who are really keen to get this going. We then have a list of contractors who then the local authorities will select. But then, because we have gone through the procurement process, they do not have to go through a lengthy procurement process, they just match. We are essentially matchmaking the suppliers and the local authorities to come together.

Tony Devenish AM (Deputy Chairman): Do you have a date by when the first stage will be completed? The appointment of the contractors so that you can get on with the work.

Shirley Rodrigues (Deputy Mayor for Environment and Energy): Soon. James, I do not know if you have any more updates, but we are at the very final stages. The next few months I would have thought. Less possibly.

James Hardy (Head of Energy, Greater London Authority): Yes, possibly even earlier.

Tony Devenish AM (Deputy Chairman): How have you assessed the suitability of the firms selected and have you looked at the social value as part of the tendering process?

Shirley Rodrigues (Deputy Mayor for Environment and Energy): It is an OJEU process; therefore they go through contract evaluations. Yes, they have all been assessed for some of the social value aspects, but along with financial, due diligence, the normal procurement. But what we want is the commitment to the net zero approach and innovation.

James Hardy (Head of Energy, Greater London Authority): Because it is OJEU and because we are quite used to doing these, we ensure continuous improvement around them. The suitability of firms, they are selected through quite rigorous compliance objectives. On social value, that is all integrated in the process itself. We have looked at objectives, key performance indicators (KPIs) and outcomes around things like equality, diversity, inclusion. There is quite a lot in there about strategic labour needs, training. Ethical resourcing is becoming hugely important. We expect that the evaluation, because we are going through the final stages now, will show that many of those suppliers have achieved those KPIs, those objectives, and will be able to deliver those outcomes. Those will be the ones that we appoint.

Siân Berry AM (Chair): James, you and Shirley have both mentioned OJEU a couple of times. Can you very briefly explain what that procurement process is and why we are still following it?

James Hardy (Head of Energy, Greater London Authority): Over a certain level, which is about £180,000, if any public sector organisation is going to procure something, whether that be services or the delivery of a programme, they have to open it up to the whole of the European Union. That is still the case. That is to ensure that there is fair competition and that it is not in breach of things like State aid rules. Organisations will have their own threshold. In the GLA, it is usually £150,000. Anything we procure over £150,000, you have to open it up to a very big, almost global market.

Tony Devenish AM (Deputy Chairman): Going back to the Deputy Mayor, the Mayor estimates that the Innovation Partnership could unlock a £10 billion market and 150,000 jobs. Senior politicians like to go back to big numbers. How are these figures derived at please?

Shirley Rodrigues (Deputy Mayor for Environment and Energy): The £10 billion is the estimate of the potential if, not just London local authorities, but local authorities outside of London, participated in bringing forward the stock that they have. For example, we just heard from Susan [French] and from [Councillor] Adam [Harrison] about the levels of funding, the estimated levels of stock and the cost of retrofitting that stock. That is the sort of potential. It is based on the maintenance budgets that most local authorities have, therefore it is an average.

Similarly, on the homes retrofitted, again it is a quantum that we have estimated, and I am happy to send you a note afterwards with the detail.

Tony Devenish AM (Deputy Chairman): Thank you. Could you outline where the funding would come from for each of the retrofit [schemes] under the partnership?

Shirley Rodrigues (Deputy Mayor for Environment and Energy): It would come from either the local authority or the registered social landlord, housing association, through their maintenance budgets. As we have said, these numbers are massive, therefore one of the things that we are talking about is how do we collectively look to encourage the private sector to start investing in this area. One of the things that we have been working on is we commissioned the Green Finance Institute who operate out of the City of London to advise us on how we come up with some financial mechanisms that would help encourage that flow of finance, whether it is from pension funds or from others, into the retrofitting of, not just homes, but lots of infrastructure that we need for tackling climate change.

Tony Devenish AM (Deputy Chairman): Does none of the money come from the £535 million that Mr [Tom] Copley [Deputy Mayor for Housing and Residential Development] still has to allocate of his £5 billion housing monies?

Siân Berry AM (Chair): To clarify, that is the underspend in the current Affordable Housing Grant Programme.

Tony Devenish AM (Deputy Chairman): For the first five years.

Shirley Rodrigues (Deputy Mayor for Environment and Energy): I am happy to seek Deputy Mayor Copley's advice on that. I do not know anything about that underspend I am afraid.

Tony Devenish AM (Deputy Chairman): Is there any money coming from the GLA at all to this funding?

Shirley Rodrigues (Deputy Mayor for Environment and Energy): The funding that we have put in is through the spending of officer time, we have put funding into creating this partnership. Just to be clear, the Mayor does not have or control housing stock. Our job, and what we see as a key role, is how do we facilitate those that do, housing associations, local authorities and the private sector, to come together to look at the challenges and the barriers. One of the challenges has been the procurement approach. Another challenge is finance. The other challenge is how do you prototype these new approaches, which is why initiatives like the Innovation Partnership are going to help with that.

Léonie Cooper AM: Following on from the point about putting money in and making things continue, therefore it was about the National Centre for Retrofit Excellence, which I asked the Mayor about in Mayor's Question Time. I know there is money from the Department for Business, Energy and Industrial Strategy (BEIS) of £3.45 million to get that up and running. How will the project continue its work, which is really important in terms of guiding social housing providers through the retrofit process so that they can maximise the amount of money that they can claim? But what is going to happen when that £3.45 million comes to an end? How is it going to continue?

Shirley Rodrigues (Deputy Mayor for Environment and Energy): At the moment it is a proof of concept. We have, through the team, done some excellent work in using our accelerators to help local authorities bid and secure funding from the Government programmes, in the order of about £180 million now. James [Hardy] can possibly talk about that a little bit later, about how we have done that. But the approach that we have taken and the quality of the retrofits that we have been doing in London in this innovation is something that the Government have decided that is something that we want to replicate, not just across London, but across the country. That centre of excellence, and indeed the Innovation Partnership, is not confined just to London boroughs because of the work that James and his team and our contractors have been doing. Really good-quality work.

We want to show that this is successful and we will do. On the basis of that, because this has to be an ongoing programme, this is one of the questions that we have been asking Government about, the approach that we are taking, the scale of the challenge we have means that we need to have long-term certainty and clarity about policy frameworks, but also funding. What we will be seeking is more Government support for that centre of excellence to keep helping local authorities access the funding programmes they have and also come up with new mechanisms for financing them through the private sector.

Léonie Cooper AM: We are very keen to see that as a Committee because we are aware that you were talking about the quantum being £61 billion, mostly on housing, which is why we are digging into these questions.

Tony Devenish AM (Deputy Chairman): Thank you. The Retrofit Accelerator aims to have 1,678 homes either fully retrofitted or in the process of being retrofitted or in contract to be retrofitted by August 2022. Could you please provide us with an update on the progress or, if you need to, you can write to us.

Shirley Rodrigues (Deputy Mayor for Environment and Energy): We can certainly write to you afterwards. I know that there has been some good work and it is on track for meeting those targets.

Tony Devenish AM (Deputy Chairman): I am sure a more detailed response in writing will be fine. In terms of the sense of urgency of these programmes, if you talk to the previous Mayor's administration, between 2009 and 2016 the previous Mayor's ground-breaking new homes retrofit programme delivered energy

efficiency improvements to over 130,000 homes. The current Mayor's Retrofit Accelerator programme proposes to retrofit just 1,600 by August 2022. Is that a reason we could be defined as [having] a lack of ambition and how will you accelerate much, much quicker?

Shirley Rodrigues (Deputy Mayor for Environment and Energy): I would not, because, as I mentioned before, the number of homes that need to be retrofitted is massive. But what we need to do is a completely different approach to what was taken in the past. While it was appropriate at the time to start looking at insulation and retrofitting, it is not sufficient. We have to do the deep house, the whole house retrofit. That is why these numbers that we are talking about are very different because this is really a new approach. The Energy Leap, Energiesprong pilot that we are also doing now, is requiring a different way of working from local authorities to the builders to financiers. The smaller numbers are really proof of concepts that we then need to demonstrate that can be done across London. We have come to the close of one programme that is showing it has worked. On the basis of that, we have these extra numbers that we are rolling out in the funding that we have from Government.

Once those are proven, then through the Innovation Partnership we then start to see the acceleration and scale-up to more than the 130,000 homes that were done in that previous administration. The order of homes that we are talking about is massive, 160,000 homes a year. Nobody is doing that level of retrofit across the country at all, partly because we do not have the policy and funding or the supply chain yet. Or indeed, while we know what needs to happen and we have some approaches in London that we know could work, it is getting that scale-up. That approach is what we are looking at now.

Tony Devenish AM (Deputy Chairman): Thank you. You said that the previous Mayor had just basically done insulation in homes. Can you be a bit clearer in terms of what is the step change you are doing? If he did insulation, what are you doing?

Shirley Rodrigues (Deputy Mayor for Environment and Energy): The difference is the basic insulation that would have happened before, some double-glazing or possibly triple-glazing. Now what we are looking at is things like looking at fabric insulation, so the walls, not just a little bit of insulation here and there. We are looking at renewable energy going in, new energy systems like heat pumps, which will then bring down the energy usage and make sure that the energy used is renewable. As I have said, we are also looking at ventilation issues. Because when you are looking at energy efficiency you still have to make sure that the home is well ventilated to support people's health. These are much more expensive and much more costly approaches. Things like heat pumps, not really trialled at scale in this country, so those are much more expensive kit that we are having to look at.

Tony Devenish AM (Deputy Chairman): Finally, as the Climate Change Committee said with their 2050 target to require the decarbonisation of the entire housing stock in the UK, in less than 30 years are you going to be able to do that in London?

Shirley Rodrigues (Deputy Mayor for Environment and Energy): We can if we have the policy and the funding. But that means everyone. That means looking at the supply chain. We already have a problem in London and the country with the funding that the Government has given. Everybody is now looking at retrofitting but that means the supply chain that was there is not able to keep up with the demands that we are all putting on it. To ramp up to the levels that the Government wants, let alone what this or other Mayors want, needs a massive change and uplift in the supply chain.

The story about this retrofit revolution is really this is new jobs, good quality clean jobs that would really help with the whole host of issues that we are dealing with in terms of the economic and social impacts of the pandemic. But also, the Green New Deal approach is precisely about how do we get people out of the jobs that are polluting into better cleaner jobs. That supply chain, we are doing some work, working with Jules Pipe [CBE Deputy Mayor for Planning, Regeneration and Skills] and others on an extension of the construction academy approach that we have taken to start to support those green skills and use that as a template for Government to roll out across the country.

Siân Berry AM (Chair): Thank you very much. You talk about needing a complete step change in the industry and I worry. We have seen a partnership approach like this before in housing and it has always tended to favour existing large firms. If you need to have a whole new approach and new companies coming through to do this work, is the big OJEU process that favours large companies doing big partnerships across seven boroughs, is that approach going to mitigate against maybe what are smaller firms now, but ought to be the bigger firms of the future? Is it not going to entrench the industry using that kind of approach?

Shirley Rodrigues (Deputy Mayor for Environment and Energy): I can see that is a risk. James [Hardy] can probably talk about this a bit more, but we would expect their supply chain is smaller firms. It is a bit like the Mayor's procurement of buses. When he went up to Yorkshire, there are big bus companies there, but their supply chain is even further around the rest of the country and those are the small firms that would then benefit from this approach. Through our procurement approaches we are seeking to make sure that the supply chains are also attuned and aligned to the net zero ambition. Therefore, we would expect the major suppliers to be looking at that as well. But it is something that we want to make sure that, as we are looking at the skills approach, those smaller companies also get access to those so that they can compete in those bigger markets as well.

Siân Berry AM (Chair): Just not with your chosen partnership?

Shirley Rodrigues (Deputy Mayor for Environment and Energy): I do not know, because I do not know who they are and we are not allowed to say who they are. James, I do not know if you can say how smaller firms are going to be looked at?

James Hardy (Head of Energy, Greater London Authority): There is a large parallel set of activity happening as the procurement progresses. We need to create a supply chain that has large and small players who all deliver quality retrofit solutions. Skilled installers are really in short supply at the moment, especially accredited ones. In parallel with the procurement, we have been engaging with a whole range of small to medium-size local firms who would, in the future, hopefully be able to subcontract with the larger firms that we are procuring. The idea is being able to create a web of support. This has happened over the last couple of months, but it has included supply chain research, engagement, including contacting about 60 to 70 individual companies. We have had about 30 or 40 meetings to try to facilitate introductions. We plan to do and share a lot of case studies to facilitate networking once the bigger firms are procured and identify how they can link together.

Léonie Cooper AM: The Mayor's manifesto said that he was going to be lobbying Government for funds for retrofitting homes in London. How much money is the Mayor going to be seeking - I presume he is not expecting a budget of £61 billion - beyond the rather paltry level of Government funding that is currently available? I think it was delayed and there has been £60 million on the table from a retrofit programme. How much of that have we managed to get hold of?

Shirley Rodrigues (Deputy Mayor for Environment and Energy): The Government has not set out completely its plans for funding and we are developing our case for the Comprehensive Spending Review that will be coming up later this year. But of the money that has been released, what we are trying to make sure is that we access London's proportionate share of that, whether it is the Government funding programmes they have or the Energy Company Obligation (ECO) as well.

In terms of the funding that we have managed to secure, it is not too far out of being in line with a proportionate share at the moment. But in terms of the scale of need that we have talked about we are going to need that ramped up. That cannot just come from local authorities, it has to come from the private sector as well as Government grants. Therefore we would hope that the Government's commitment of a £9 billion fund was at least kept, but we need much more than that as we have seen the huge numbers that Susan [French] and [Councillor] Adam [Harrison] and I have been talking about. How do we get more of that?

In terms of ECO funding, we do not get our fair share, therefore we have been lobbying very hard to get a greater share. We get probably about 40% or 50% of what Londoners spend in terms of their fuel bills and the ECO obligation on that coming back to London. We would like to have 100% of that.

Léonie Cooper AM: That has been an ongoing problem for ages, mainly because the energy companies find it so much easier to work in places where there are no controlled parking zones or all the other expenses associated with trying to deliver programmes in London. Moving on to the issues around mandatory minimum energy efficiency standards, which is a huge issue in the private sector. The Environment Committee, as I am sure you are aware, suggested that the Government should increase the cap for landlord contributions to those measures from £3,500 to £5,000. Because obviously a lot of landlords make a lot of money, particularly in London, from renting out, therefore £5,000 seems a fairly insignificant figure. What discussions have been had with Government about this and how important is it that we achieve this for those who are privately renting in London particularly?

Shirley Rodrigues (Deputy Mayor for Environment and Energy): It is hugely important. We supported that higher level of cap as well. We have been raising this with Government in various consultation responses. They have got a new consultation out where they are talking about raising the level up to £10,000, which would be a much better reflection of certainly the costs to landlords and the costs in London. We are advocating that is picked up. Because it would have such a big impact on fuel poverty and on carbon emissions.

Léonie Cooper AM: I presume that the Mayor will be supporting the raising of the cap to £10,000. It seems a bit odd to have refused to have raised it from £3,500 to £5,000 and then suddenly to jump to £10,000. I would personally have preferred it to have stepped up, but maybe that is something, Chair, we can consider writing to Ministry for Housing, Communities and Local Government (MHCLG) and supporting because it seems like a really important area.

Moving onto, the Green Homes Grant Scheme, you were talking about ECO and we only got a small fraction of the share that we should have had from the energy companies of that. The Green Homes Grant Scheme does not really seem to be much of a success in London. I understand that there were only 1,699 grants given out, and two in Westminster being the lowest, and 141 in Newham being about the highest. What went wrong with the scheme and is there anything that we can learn that would allow schemes to work better? That seems a complete failure.

Shirley Rodrigues (Deputy Mayor for Environment and Energy): It was a very complicated scheme to operate. There were not enough suppliers for it. As you have alluded to, where it is easier and cheaper to operate that is where suppliers will go. It is complicated to work in London and big cities. That is why. I tried to have a look at it as well and it was very complicated to find somebody. There were also difficulties for suppliers in registering and trying to access the databases to be on the supply list. One of the big lessons is allowing these schemes time to bed in. It was not great, but the scheme was pulled before it could really bed in and the changes that we and the industry were asking for to be incorporated could have been incorporated. That stop/start approach is what causes problems for installers.

It also puts householders off because those who might be interested then just get put off for another few years and thinking it is not worth the bother. What we want is a scheme that is really simple to use, that really is user-friendly, that allows the installers, good high-quality accredited installers, to sign up, then lots of them across London. Also, maybe a premium for working in a city so that those in cities are not disadvantaged and people favour other ...

Léonie Cooper AM: Some very wise points there, because we went through all of that with the feed-in tariff and lots of people going through Microgeneration Certification Scheme (MCS) accreditation and then all going bust when the scheme is massively downgraded and destroyed. Can I ask about the Decent Homes Standard? My understanding is there is a review going on. It played its role in the early-2000s because of thermal comfort and everyone fitting Thermostatic Radiator Valves (TRV) on radiators and all that sort of thing. It has had some impact indeed on fuel poverty as well. In terms of the decarbonisation and improving energy efficiency of social homes, what changes would you like to see in the Decent Homes Standard as part of the review? Will you be submitting something to Government?

Shirley Rodrigues (Deputy Mayor for Environment and Energy): Yes, definitely. To keep it simple, it would be to mandate a net zero approach, but also one that takes into account climate adaptation too. Because the homes have to be resilient but also maximise their energy efficiency as far as possible so that it can contribute to the net zero target.

Léonie Cooper AM: Improving the section on weatherproofing for example to really move towards mitigation and adaptation as well.

Shirley Rodrigues (Deputy Mayor for Environment and Energy): Yes.

Léonie Cooper AM: The Government was planning to publish a Heat and Buildings Strategy, which was going to set out its approach to reducing emissions from buildings. That was due last year. They seem to have been distracted by, I do not know, there was something going on last year I have heard. Now it has been delayed. It may also have been delayed because of some Cabinet arguments over what funding could be associated with this new strategy. It is difficult for us in the absence of that strategy to go ahead, but what plans should we be making in London in terms of retrofitting? Otherwise we have no chance of hitting the zero-carbon by the 2050 target that the Mayor is keen for us to achieve, have we? What can we do?

Shirley Rodrigues (Deputy Mayor for Environment and Energy): We are doing what we can. The approach that we are doing at the moment, the Innovation Partnership, the move to deep and whole house retrofits, is exactly what is going to be needed. We know that the Government is going to have to come in line with this because there is not really another way to meet those targets. Our approach of piloting and doing the proof of concepts, getting people aligned behind this, therefore it is brilliant to see those seven boroughs and to see so much interest from the private sector building companies around this. We have seen lots of

reports from the industry. The construction industry recently was asking Government to come out with that strategy and the other net zero strategies so that they can start to really have that certainty of planning and so on. We know there are no regrets. These are things we are going to have to do. We are just getting on with what we can do in London. These might be small numbers, but without doing those small numbers proof of concept you cannot get to the big numbers that are needed in London.

Léonie Cooper AM: No, otherwise we are going in that constant circle of proving that passive house works, all the sustainable homes is a good thing, destroying them and then having to reprove everything.

The updated February 2021 Fuel Poverty Strategy confirmed a new fuel poverty metric, the low-income, low-energy efficiency, which I have no doubt is going to be called 'LILEE' by all of its friends and possibly by some of its enemies. It of course showed that London has the highest proportion of fuel poverty households by region at 16.7%. We can probably work out what the factors are that have led Londoners to be overrepresented in this. But specifically, what would you point the finger at?

Shirley Rodrigues (Deputy Mayor for Environment and Energy): It is a combination of poorly insulated homes, which means high energy costs, incomes, very low level of incomes, and high costs in London. That all leads to fuel poverty. Then if you are looking to get energy, the energy prices are high. We are seeing really volatile prices at the moment; prices are going up. That sort of combination of issues, which the Mayor has addressed in his Fuel Poverty Action Plan, set those out. The sorts of things that we are doing, like warmer homes, like the Warmer Homes Advice Service that we are funding local authorities to provide. Advice on income maximisation, how they might access some of the programmes that we and local authorities have in terms of retrofitting homes. Also how they might reduce their bills and so on. Those are the sorts of things that we can help with and help facilitate local authorities with. But obviously the bigger issue of benefits changes, raising people's incomes, is a big thinking issue.

Léonie Cooper AM: Potentially, indirectly, some of the community energy groups that the Mayor has assisted with moving ahead with their plans, they also use some of the surplus that they have made to recycle it into offering energy advice workshops. To my knowledge that is what Celsia has been doing and CREW [Energy] has been doing a lot, talking about South East and South West London. I am less familiar with north London. I believe there are other people in the room who can talk about north London instead. You mentioned ECO earlier. That seems to me to be a really good way of targeting some of these houses where we have people who might be making those choices between eating and heating and who really are fuel poor. I believe the Mayor has said that fair funding would mean that London should get at least £130 million. This seems to me to be a typical example of something where the Government's levelling-up agenda should come into play. Are we going to get a fair level of funding from ECO for fuel-poor Londoners?

Shirley Rodrigues (Deputy Mayor for Environment and Energy): I hope so. We have certainly tried to facilitate accessing more of ECO by putting in place a scheme that operates London-wide, which has meant that more people fall into that definition of ECO, who would have fallen out of it. That has increased the number who were accessing it and that has partly helped for our numbers going up. But it is not sufficient. What we are going to do is look at the criteria and see if we can align more. But it also requires the lobbying of Government to change the regulations so that some of that money can come back to support those people in fuel poverty.

Léonie Cooper AM: A lot of people have been talking about reaching EPC-C, which of course is a band. As far as I understand what people are talking about is reaching Standard Energy Procedure (SAP) 69, which is the bottom of EPC-C. I believe the Mayor has said that the 2030 target should be to reach EPC-B. A and B are

fairly easy to achieve for new builds that have really good insulation and all the rest of it. But for a lot of London's housing stock, which is Edwardian and Victorian, solid wall, people might have put loft insulation in, but they cannot inject stuff into the walls. It is pretty hard to improve the insulation. Is it possible for us to get London's housing stock to band B by 2030? I am seriously worried that we just cannot.

Shirley Rodrigues (Deputy Mayor for Environment and Energy): The aspiration is to get those houses that can get to B as high up as we can. But there are going to be homes that we are just not going to be able to do, precisely for those reasons. Again, it is how do we maximise those? Many of those are on E, F, G in this day and age, therefore how do we even get them to be as high or as close to B as possible? Then it is about what else we might be able to do to help. That is not going to solve fuel poverty in and of itself. We need to be looking at incomes and so on as well.

Léonie Cooper AM: External Wall Insulation (EWI) or Internal Wall Insulation (IWI) is pretty disruptive for most people. I am very conscious that I can see our friend from Barnsbury Housing is nodding on that one. You may have suspected, I have a background of working in housing associations.

Shirley Rodrigues (Deputy Mayor for Environment and Energy): With new technologies and the whole house approach, and maybe James can go into that a bit better, then we have a better chance now of getting more houses up to EPC-B. But I would imagine there would still be a proportion of the stock that would not. But we have to maximise their energy efficiency as much as we can do.

Léonie Cooper AM: Some of the new materials, the polymers that can create much thinner surfaces, are now becoming much more practical. But at one point when people were talking about IWI it was incredibly thick and you would have to rehang every door and you would lose inches off people's rooms, so they would probably have to lose half of their furniture. That was never going to happen. But maybe now, are we moving faster towards that in terms of the technologies?

Shirley Rodrigues (Deputy Mayor for Environment and Energy): The technologies are getting better. I could not comment on that specific issue. But there is a point that you have just raised there about people's acceptability of these changes. These are big disruptions and so on. But the approach that we are taking through the work we are doing is precisely about how do you bring people along with you. What are their concerns and what would remedy those concerns? Because we need to act on this and using that information and that evidence and that learning is really going to help, not just London, but the rest of the country too.

Léonie Cooper AM: That is possibly a very strong area for the GLA to be involved in, is working out how to bring people with, in terms of that sort of behaviour change and happiness with change, given that the GLA is not a direct landlord owning organisation.

I am quite interested in the idea of trying to get to band B and I also wonder whether Susan [French] might want to come in on that, because she looked as though she was very engaged on that area. I know that it is so difficult. James, do you want to come in first on achieving band B by 2030?

James Hardy (Head of Energy, Greater London Authority): Yes, I could say a couple of factual things that we have learned through our evidence gathering. Shirley [Rodrigues] noted earlier that we have a London building stock model that took us over two and a half years to build with University College London (UCL). What that has shown so far is that we know that there are physical limitations to London's buildings. For example, we know that the majority of buildings within about F and G, our worst rating, are within the owner

occupier sector where we know there are no regulatory drivers we apply to the private rented sector. That is a challenge.

We also know that about a fifth of all of our buildings will not achieve a B or a C. This points to what Shirley said earlier about having some at climate positive. That is that they help pick up the slack of some of the others.

Just going back to the question around fuel poverty, the Mayor's Fuel Poverty Action Plan showed that there were no fuel-poor homes in London with a rating of an A or a B. This was as at 2017. But about 1,700 homes with a rating of around C. At the time that was less than 0.5% of London's fuel-poor homes and we know the number of fuel-poor homes has gone up. London currently has about 530,000. This gives you an idea of the orders of magnitude that we are talking about here.

What we are trying to do through the Mayor's programmes is effectively to try to prioritise a lot of the renewable installations that we want to make in London through the Mayor's Warmer Homes programme by giving quite large grants, piggybacking on the local area delivery of funding that we have managed to secure. We have managed to secure about £30 million so far for the next year just to focus through the Warmer Homes programme. That will be principally about trying to bring those homes to a higher EPC and install renewables, solar panels, and increase the thermal efficiency of those homes.

Léonie Cooper AM: That is interesting. Would you be looking to give those grants into the private sector then mainly if that is where the bulk of those E, F or G rated properties are?

James Hardy (Head of Energy, Greater London Authority): Over the last couple of years, when we started Warmer Homes in (I think it was) 2018, it started with owner occupier fuel-poor homes. We then trialled the private rented sector and the Committee will be aware of some of the real challenges around leaseholders and tenants and getting approval through landlords and so on. We trialled and we created a system where that worked quite successfully. Now the Warmer Homes programme operates for all of the private rented sector as well as the owner occupier sector. We will be trying to maximise what we can do there, given that they are the worst offenders when it comes to the most inefficient homes.

Léonie Cooper AM: My concern is about, if the grants are mainly going towards the homeowner rather than towards the private rented sector, Chair. I just wonder whether this is something that we should be corresponding with the Mayor on in terms of where that budget is going to. There are a lot of people who are in dire circumstances in the private rented sector. Thank you.

Siân Berry AM (Chair): We will come back to housing associations later on. We are now just going to finish off talking to some of our other guests about the Government initiatives and the funding that we were talking about them having. We talked a little bit about the technicalities there. Assembly Member Clarke.

Anne Clarke AM: Thank you, Chair. I should have mentioned earlier I do not know if it is really a declarable interest but my constituency is Barnet and Camden and Councillor Harrison serves at Camden Ward, as do you, which I do not normally declare.

Siân Berry AM (Chair): It is definitely not a conflict with your job, given it is your job.

Anne Clarke AM: No, but it felt wrong not to say anything at all. My first question is for you, Bradley [Tully]. Do you feel we have a clear picture on what Government funding for retrofit will look like going

forward? Is there any sense that London may receive less as the Government seeks to level up other areas and European Union (EU) funding is replaced with a shared prosperity fund?

Bradley Tully (Senior Public Affairs Officer, Royal Institution of Chartered Surveyors): Thank you for your question. On the issue of funding from a Government level, what we have said in our policy paper that we published last year, *Retrofitting to Decarbonise*, was that we really do need to see Government prioritising retrofitting as a national infrastructure priority. We need a policy roadmap for the current schemes that are out there in terms of climate, energy and fuel poverty policies and how that roadmap will get us to the targets for 2030 and beyond. That is something that needs to be looked at, at the central Government level.

In terms of whether London will potentially receive less, I could not comment on that. But I know that, looking at some of the schemes that we were talking about earlier from the London perspective, I know that at least one of them was partly funded by the European Regional Development Fund and obviously we cannot rely on funding like that anymore given that we are no longer in the European Union. Those are things that we will have to consider.

Anne Clarke AM: Thank you. Susan, are Government initiatives such as the Social Housing Decarbonisation Fund and the Local Authority Delivery Scheme operating effectively?

Susan French (Chief Executive of Barnsbury Housing Association and Vice Chair of the g320): It is in early stages. In terms of my organisation, we managed to get a very small number of Green Homes grants last year. As somebody else said, it is a really complex process. It was a 20-step process to go through when you looked at the procedures that were involved. Even though less than half of our homes are C and above, there was a really small percentage that qualified for the grant. Then there was an income cap as well on the tenants who lived there. In fact, we got two or three of the Green Homes grants. We work well with the local authority but, in terms of the effort involved in securing the grant, for the output, the impact was relatively limited.

There is a lot of work going on in BEIS at the minute about designing the decarbonisation fund. The questions for us are about the level of funding, the certainty of funding. One of the things that is a particular issue for small housing associations at the minute is the bidding timescales for these funds tend to be quite short. If you do not have teams of people with ready-to-go schemes it is really difficult to produce schemes and then bid and then deliver within what are quite short timescales. What we would like to see is funding programmes with three to five-year time horizons so that we can look at our normal stock investment plan and say, "This is what we are going to spend, these are the schemes, these are the interventions we are going to make over the next three to five years. How can we apply for funding?" We know that the funding is going to be there to support that work that is going on.

From my knowledge, BEIS is listening to those concerns, but it feels like there is a little way to go before we get a scheme that is working properly for all housing associations.

Anne Clarke AM: Is anything about that scheme working particularly well? It sounds like there are a number of challenges.

Susan French (Chief Executive of Barnsbury Housing Association and Vice Chair of the g320): I am part of a couple of national housing federation groups that are talking to BEIS and there is a real willingness to listen to, "How can we design these schemes to make it work?" But it has not got to the point where the outputs are there. We do not know exactly what the scheme is going to look like.

Councillor Adam Harrison (Cabinet member for a sustainable Camden, London Borough of Camden):

In relation to funding it is really important that any funding schemes are consistent and affordable and that they are in place for a number of years. There has been a myriad of different schemes at Government level over several years, some of which have been more successful than others. That is something that needs to be considered.

Anne Clarke AM: James, the GLA is leading a consortia of London boroughs, which have secured funding via the Green Homes Grant Local Authority Delivery Scheme. Can you tell us what projects you are delivering under this scheme?

James Hardy (Head of Energy, Greater London Authority): We have secured so far just under £10 million through what is the Greater South East Energy Hub. The GLA secured around £10 million and we have a further about £18.7 million through the hub. What we are going to try to do with that is improve about 3,000 homes across London, of all tenures, and these will be operating through the Warmer Homes programme. We have also been successful in securing funding through the Social Housing Decarbonisation Fund.

Siân Berry AM (Chair): Can I come in at that point? Because James has just outlined that in the first round we received £10 million, in the second round £18 million; is that right? That is £10 million out of £74 million for the whole country. That does not seem proportionate.

James Hardy (Head of Energy, Greater London Authority): We shared £9.45 million exactly for the GLA to fund the Warmer Homes Programme, over and above what the GLA was funding anyway, which was over £2 million. We then bid as a consortia. There is hub bidding, you will probably know, and there are many hubs across the country. For the South East it involves London and some of the areas around it. There is an allocation for that hub, of which about £19 million will be directed through the Mayor's Warmer Homes Programme.

Siân Berry AM (Chair): My question is only, rather than go through the numbers again, as a proportion of what we are getting in London compared with the rest of the country, is that about right, considering how many homes we have? It sounds not.

James Hardy (Head of Energy, Greater London Authority): No, as Shirley [Rodrigues] said, this is actually very good. We have long lobbied for our fair share of funding. So far we have secured more or less our fair share of funding. To get our fair share in total it would be more like £50 million, but compared to historical levels this is quite good.

Siân Berry AM (Chair): So it is not proportional, but it is a bit better than it used to be.

James Hardy (Head of Energy, Greater London Authority): Yes. We have other bids in as well. You will probably know, with the local authority delivery and the Social Housing Development Fund, there are lots of different way and we are moving through that process with Government. We are securing money at every single stage.

Anne Clarke AM: Bradley, it is not intended that the public sector will entirely fund decarbonisation and some funding will have to come from the private sector. Do you think there is a clear path forward on how to make this transition and is enough being done to stimulate the market, to take on a degree of self-sufficiency?

Bradley Tully (Senior Public Affairs Officer, Royal Institution of Chartered Surveyors): Not at this stage. What was said earlier by the Deputy Mayor about the role of the private sector, when you think about the level of investment that is going to be needed and the level of skills, the pipeline of skills, that will have to come through then, yes, private sector involvement will be necessary. Government cannot rely on that at this stage. I am sure we will go into it later in the session, but there really is the skills gap at the moment. Skills and funding, I would say, are the two biggest challenges in the retrofitting area. Until we have significant progress on those it would be very difficult to meet the substantial targets in the retrofitting of existing housing stock.

Anne Clarke AM: Thank you. [Councillor] Adam [Harrison], do you think the Government is giving enough political leadership on this issue? Are they giving you and your residents certainty over what needs to be done over the next 30 years?

Councillor Adam Harrison (Cabinet member for a sustainable Camden, London Borough of Camden): On your second question there, as the speakers have already said, what is most required is certainty, in terms of funding and Government intentions to support the expenditure that we are going to have to give out over the next few years. This is not just in terms of local authorities being able to plan ahead for what we are going to do with our own stock, which is a process we are currently actively going through within Camden, to understand our stock and plan ahead for the next few years. It is clear from our teams talking to contractors and potential providers that things like the abolition of the Green Homes Grant for private home owners within the last year and other stop start schemes that we have seen over the years has harmed confidence among the contractors who need to be investing in their own workforce, who need to be gaining the quality accreditations that are needed. They have been really shaken by that. To try to remedy that, we are working with other councils. We are working with the GLA to think about what role we can play, in terms of improving that skills pipeline, working with local further education colleges and so on. Perhaps there has been an underestimation of the impact of that uncertainty in the private sector retrofit space.

It is good that there is some certainty in the social housing space, in the form of the social housing decarbonisation fund and other streams that are coming forward, because that will give the confidence to ourselves and to others that there is some funding coming forward, it is worth investing, it is worth creating these jobs. It would be stronger if, as London, we had two wings to fly, so all sectors were powering forward and that we were able to ensure that we are able to deliver when this funding comes forward. At the moment, there is still that huge uncertainty about whether we have the people who could undertake the retrofit. There is a lot of talk all the time about Green New Deal, Green Jobs Revolution, but now is the time to establish that certainty. It is interesting hearing Susan's remarks about BEIS, there is willingness. I would not be a total critic of the Government on this, but we need to move more quickly.

Siân Berry AM (Chair): Thank you. Assembly Member Devenish has a quick follow up question.

Tony Devenish AM (Deputy Chairman): Susan, you mentioned 20 steps of complexity of getting this money. Do you have a flow chart from one of these you could send us? It is a good point of how complex it is.

Susan French (Chief Executive of Barnsbury Housing Association and Vice Chair of the g320): I would have to talk to the local authority we work with, because it is essentially their process. It is the process we had to go through.

Tony Devenish AM (Deputy Chairman): James, do you think there is any way we could simplify down? I know this is a Government procurement, but it is also a GLA one. Can we simplify these processes down so people do not lose the will to live when they are bidding for this?

James Hardy (Head of Energy, Greater London Authority): When we are bidding for money from Government? Absolutely, the Government is already learning by doing that; the first two tranches of the Local Authority Delivery Fund went directly to authorities, where the money that has come through the hub, which eventually will go to boroughs, has been much more complicated. They have already seen that it has been complicated. Now they are reverting back to their initial way of doing things for the third tranche. What people have said is absolutely right. They need to have a lot longer delivery time. Government feels that you can do retrofit almost instantaneously. We should not forget that a lot of this funding was launched during lockdown. That was when many sites were not in operation. That is when many organisations were not fully functioning and when homes were not accessible. As a result, that has really squeezed the timelines. That has also put pressure on the supply chain as well, which we know is fledgling.

Siân Berry AM (Chair): Thank you. The next section is about the challenges, more practical challenges as well. Assembly Member Baker.

Elly Baker AM: Susan, what has been the experience with retrofit as Barnsbury Housing Association?

Susan French (Chief Executive of Barnsbury Housing Association and Vice Chair of the g320): First of all, I would say we are right at the start of our journey on this. Our board made [the] decision about 18 months ago that because about a third of our tenants really struggle to pay their fuel bills, that this should be a priority for us. On a personal level, I have done a lot of work over the last 18 months to get us to the start of this. I know from other colleagues on the g320 that there is a huge willingness and appetite for retrofit, but a lot of organisations are only on the starting blocks. I would say, in terms of our experience, it is not typical, but others will be going down the same path that we have come down over the next year or two. As I say we are very small, we have 300 homes, and one of the challenges we have is that about a third of our homes are listed buildings. Almost all of our homes are in conservation areas. That adds another layer of complexity to it. We started off by establishing our baseline and getting EPCs right across our stock. We had about 25% before.

We have been working with some specialists to model each one of our buildings and work out what we need to do to get it to a good standard. That standard will not be net zero. It is just not going to be possible on many of the buildings that we own. We are working with some specialist architects and energy consultants on a pilot project in Barnsbury Street, which are some of the first properties we ever bought, back in the 1960s. It is quite a painful process, to be honest. We are having conversations about the measures that we can put in there. Probably, for that particular retrofit, it is a one-bedroom flat in a Grade 2 listed building. We are going to invest about £30,000. I was having a conversation just yesterday about IWI and what is going to be possible to do to the windows. It is quite difficult. We are trying to come up with a mechanism for balancing cost, disruption, the carbon impact we will have, the impact on SAP rating and make a judgment. How do we make the right judgment about what are the right interventions in each property? A particular challenge is around planning and how heritage buildings are treated. Dialogue will have to be started at some point with planning about standards and where the compromises might have to be in heritage properties, in terms of improving energy efficiency. We obviously cannot do, and would never want to do, EWI on listed buildings, but what can we do on the inside of the building? Looking at windows, even double-glazed replacement panels in the existing windows are not acceptable. There are always going to be weak points in those buildings. They are the sorts of very practical challenges that we are dealing with.

Elly Baker AM: That is really helpful, thank you. Just very specifically on what you were saying, obviously you are talking about fuel bills and the disruption to tenants. How do you manage that? How do you engage with your tenants on that?

Susan French (Chief Executive of Barnsbury Housing Association and Vice Chair of the g320):

Again, I would say that we are at the start of that. We started to have conversations with our residents' panel and with residents generally and people are really receptive and they understand the challenge. It really bumps up against reality when you are trying to plan a deep retrofit in a property. We are taking an easy route and doing it in an empty property at the minute, but if you are doing IWIs it is much more difficult. A lot of our properties have lovely cornicing and they have shutter boxes. That is where the difficult conversations have to happen with residents around what is possible. What can we do with you living there? Are we going to have to move people out of properties while the work is done? I would say we are just at the start of those conversations. There was an interesting piece of work done recently by the Tenant Participation Advisory Service around what tenants in social housing were saying about retrofitting and about the challenge and some interesting findings around the use of language around fuel poverty. People do not want to think that they are poor, so the language we are starting to use is about liveability and comfort in properties rather than using language around fuel poverty. It is quite interesting and quite unexpected.

Elly Baker AM: I can imagine. More broadly, from a g320 perspective, what barriers do smaller housing associations face in retrofitting their stock?

Susan French (Chief Executive of Barnsbury Housing Association and Vice Chair of the g320): As I say, many small housing associations are at the start of this. Generally, in London, smaller housing associations have older and harder to treat stock than average, because we have not been building lots of new homes over the last 20 years. On the plus side, because we have not been building those homes, there may be a bit more financial capacity in business plans, because we do not have the huge fire remediation bills that some of the larger ones have, although we do have some. The biggest challenge is around in-house capacity, the skills and the expertise within the organisation. My organisation has 14 staff. I have one asset manager. It is about taking that strategic view about retrofit and delivery. It is a big span of skills and knowledge and capacity to deliver. That is one of the big challenges. I will just add one more thing which is about the funding packages that are in there, as somebody said, there are a complex plethora of different schemes, with often very short timescales, and you need specialist teams to bid for them. Finding ways of collaborating together to help us access funding is something that is really important.

Elly Baker AM: Adam, Camden has around 30,000 homes that need retrofit in the borough and it will cost about £1 billion. Can you see a clear path to achieving this and how much could be achieved with the resources currently at your disposal?

Councillor Adam Harrison (Cabinet member for a sustainable Camden, London Borough of Camden):

Similar to what Susan said, I would not quite say we are at the start of this process, but there is still a lot that we are working through to understand how to meet that financial challenge. Putting aside the potential difficulties around labour supply and skills and so on, that financial challenge is absolutely crucial. Probably within our own resources, we would not be able to fund it. We would be looking for other sources of funding. There are a variety of locations for that. The Government as well as simplifying the funding streams and providing more certainty, by which I also mean probably less grant bidding processes and looking for ways which other streams could be opened up for local authorities and housing associations and others to draw

down on directly would be extremely helpful. That would have a wider beneficial impact of stimulating the market. So, certainly direct support from the Government.

We are also looking at what other models we could apply within our own housing. Thinking about our leaseholders who own around a third of the stock on leasehold that we have as freehold, we have successfully trialled measures in the past. For example, we created a decentralised energy network next to the Royal Free Hospital, in one of our estates, and that is connected to around 1,500 homes, and set up a 14 year recharge arrangement for our leaseholders. We do have some experience of innovating on that. Greater guidance and greater work from the Government and others, Green Finance Institute was mentioned who are looking at trialling quite a few different types of models, bringing forward some of that guidance, testing those out as rapidly as we can and settling on some new powers that we could apply within our own stock would be extremely helpful, in terms of us being able to work out what finance we can unlock locally to help fund some of the works that we want to undertake.

Finally, we are, and we need to look at, combining retrofit works with the other works that we are going to be doing anyway, so our regular maintenance works, our fire safety works. This is certainly something that has happened over the years already. We do retrofit as we go, but there is a new energy and there is a new political will now to look more carefully at making sure we are retrofitting as much as we can.

Elly Baker AM: Obviously given the urgency of the climate emergency, but also the disruption that there will be for tenants, how have you or how do you foresee engaging with the tenants through that process?

Councillor Adam Harrison (Cabinet member for a sustainable Camden, London Borough of Camden): It certainly could be a challenging process. Leaseholders are certainly concerned. I have been contacted lately by some of our leaseholder representatives worried about the impacts they think they may have to face. That is why we need, as quickly as possible, to be able to provide some solutions. There is certainly strong, as Susan [French] said, interest and support for those sorts of measures. When we undertook a citizens' assembly on the climate emergency a couple of years ago, retrofitting our stock and removing fossil fuels from our own properties was one of the recommendations that citizens made. It will be when we get down to the finer detail of how that is paid for that we want to be able to provide some of that reassurance up front. We want to be able to draw down on those models, such as the ones we trialled, which I mentioned about the 14-year pay back. We want to be able to present those and talk through those options with our residents as soon as we can.

Elly Baker AM: Thank you. To both of you, have you experienced any issues with the quality of retrofit projects within your stock?

Councillor Adam Harrison (Cabinet member for a sustainable Camden, London Borough of Camden): We have had quite good experience, I would say overall. Again, just to go back to the accreditation industry standards that do exist, we would like to see those taken up more broadly by the industry.

Susan French (Chief Executive of Barnsbury Housing Association and Vice Chair of the g320): We have not got to that point yet.

Elly Baker AM: Do you have any feedback from any of the other small housing associations in g320?

Susan French (Chief Executive of Barnsbury Housing Association and Vice Chair of the g320): No, not from smalls, particularly. The only thing I would say is that on some new-build properties where we have

technology like air source heat pumps, which will be the technology that we will end up retrofitting into our existing stock, there is a real piece around occupants getting used to what that means for how people live in their homes, because it operates quite differently to traditional gas boilers. There is a bit of a gap there, I would say, in terms of performance.

Elly Baker AM: That is interesting, thank you.

Siân Berry AM (Chair): There is a question about smaller firms. We asked Shirley [Rodrigues] whether or not the scheme from the GLA, the Partnership Project, was excluding smaller firms. I was just wanting to see if any of you have experience of small versus large firms, in terms of delivering it. Adam, when you answered that question there, you were answering about retrofit pilots and things like that, as opposed to the overall repairs and maintenance. Shirley [Rodrigues], earlier on, talked about unlocking the £10 million market through the Innovation Partnership idea. A lot of that was based on using regular maintenance done by local authorities as a kind of proxy for retrofit. Obviously regular maintenance is done by different firms that generally do the super green work, if that is a reasonable technical term to use. The question is: do you find in general that smaller firms offer potentially better quality service, given that the work we have seen about retrofit says that most of the work is labour rather than technology?

Councillor Adam Harrison (Cabinet member for a sustainable Camden, London Borough of Camden): The officers who deal with the firms more directly may know that. It is not something I have heard that one is better than the other. Certainly, what I would hope for in the future as we stimulate and create that industry is that there would be a range of firms and that there would be local firms. We certainly know that within Camden some of the skills we are looking for, where they do exist at the moment, that there is a shortage in London, and they are largely not based in Camden. They are largely in East London and elsewhere. We do not have to be so local that we demand everything in one place. It would be healthy to have a London-wide skilled workforce to be able to draw on and for that to be mobile across the capital. Through our procurement processes in the past and through our planning processes, in Camden, we have always been quite successful in generating and securing local employment. I would hope that we could foster that as well, in terms of new firms, smaller firms, and specialist firms who are able to deliver the work that we need.

Siân Berry AM (Chair): Yes, the general hope is that a green recovery will involve new firms springing up. I am just slightly worried that the model of having very large companies who subcontract the work may be replicated with this. I hope that makes sense to other Members. Bradley [Tully], is there anything you wanted to add on, on any of these questions around local authorities, markets and resources available to them?

Bradley Tully (Senior Public Affairs Officer, Royal Institution of Chartered Surveyors): Not on that specifically, but what I would say, just around London, is that you really do need to look at the different tenures and the fact that the private rented sector is so much higher in London than the rest of the country. London will potentially take a slightly different approach to the rest of England.

Siân Berry AM (Chair): That is really helpful. Moving on to the final section of questions, Assembly Member Boff.

Andrew Boff AM: Yes, to carry on from what was said, the introduction of rent controls is going to introduce a problem, is it not, for private landlords to retrofit their properties?

Bradley Tully (Senior Public Affairs Officer, Royal Institution of Chartered Surveyors): Yes, it could potentially. We are not in favour of rent control, but as to the exact impact that will cause I am not sure. I can certainly get back to you on that.

Andrew Boff AM: Thank you. We have another challenge as well, in terms of taller buildings. We are currently removing cladding from lots of tall buildings. The reason that the cladding was put there was because towers are so very inefficient in terms of energy. Is there going to be a problem in the future retrofitting those tall buildings?

Bradley Tully (Senior Public Affairs Officer, Royal Institution of Chartered Surveyors): We really need to look at it as an opportunity to do both, because both are fundamentally important. Cladding remediation work is important from a building safety point of view. Retrofitting work is fundamentally important from a long-term sustainability point of view in terms of people and the planet. Any opportunity where we can look at how remediation work in terms of cladding and further work in terms of installing solar photovoltaic (PV) panels on high rise buildings can take place concurrently is something that should be --

Andrew Boff AM: They are a much harder challenge, are they not? We heard our Planning and Regeneration Committee, I know we overlap a lot, only last year, say that if you go from six storeys to 20 storeys, the energy intensity per square metre is doubled. That must create a real problem when you are trying to retrofit down to zero.

Bradley Tully (Senior Public Affairs Officer, Royal Institution of Chartered Surveyors): Yes. I do not know on that point specifically, but there will certainly be challenges that need to be looked at.

Andrew Boff AM: Councillor Harrison, do you see any problems within your tall-building stock at the moment? Do you see any particular problems there with retrofitting that typology of building?

Councillor Adam Harrison (Cabinet member for a sustainable Camden, London Borough of Camden): Yes, they will come with their own greater costs. We are recladding a number of them at the moment, in light of fire safety concerns, so that is an example of being able to bring some of that benefit together at the same time.

Andrew Boff AM: Is that cladding going to bring those buildings down to what is required for net zero?

Councillor Adam Harrison (Cabinet member for a sustainable Camden, London Borough of Camden): Net zero entails a whole range of other things which are not being delivered by the cladding replacement. We would have to look at, as we have already heard many times, all the other contributors to that, whether it is the energy source or the windows.

Andrew Boff AM: Do you feel that you might have to reclad in order to meet net zero over and above what you are cladding at the moment?

Councillor Adam Harrison (Cabinet member for a sustainable Camden, London Borough of Camden): Not particularly. This cladding will last a number of decades. If you take a building like that, you would be looking then at implementing some of those other measures I have just mentioned for us to be able to do that.

Andrew Boff AM: You do not anticipate a situation where the cladding of a building will prove a challenge in terms of energy efficiency?

Councillor Adam Harrison (Cabinet member for a sustainable Camden, London Borough of Camden):

The cladding we will be using is the most up to date. As with this whole picture, technology is moving on all the time.

Andrew Boff AM: Are the demands on yourselves to retrofit going to affect your ability to deliver new homes?

Councillor Adam Harrison (Cabinet member for a sustainable Camden, London Borough of Camden):

No, I do not think so. That remains a hugely important political priority for us to be building genuinely affordable housing alongside delivering fire safety works and now this hugely important ambition we have also taken on to decarbonise our housing stock. For all our housing it is 25% of the borough. It is 10% of our own direct stock. It is not a challenge that we can shy away from.

Andrew Boff AM: It is not a challenge, even though it is going to cost you a lot?

Councillor Adam Harrison (Cabinet member for a sustainable Camden, London Borough of Camden):

It will certainly cost a lot, as we have heard, which is why we need to draw upon all of these different sources of finance that will be available. What is lacking at the moment is these clearer frameworks and these models and mechanisms that we can all be applying. Councils need to be empowered, to be given the powers to do this, and to apply these locally with their communities. This is why I say there needs to be a range of options available, so we can select the right ones. It would be extremely helpful if the Government would set that framework. Something the GLA can be really useful in is to make the case for London, because of our own distinctive type of housing stock that we have and to press that case for London local authorities to have those powers and to have the funding available to them.

Andrew Boff AM: You can rest assured we make that case all the time, in terms of devolution of powers to London and their boroughs. Ms French, does it prove a challenge for you to expand?

Susan French (Chief Executive of Barnsbury Housing Association and Vice Chair of the g320): Yes, when we did our first estimates, which were an average of £25,000 per home and we plug that into our 30-year business plan, it basically wiped out all of our development capacity that we had. We had capacity to build about 40 homes and that money would all be spent on retrofitting. Obviously, that does not take any grant funding into account and we very much hope we will be able to get that in, but it has a big impact on our ability to deliver new homes.

Andrew Boff AM: That is rather worrying, bearing in mind you have so many demands for new homes. Do you think the right balance is being struck between ensuring quality retrofit, while recognising the need to deliver quickly at scale? Would you like to see changes? Do you think the quality of retrofit might be being affected because of the demands of getting it done quickly?

Siân Berry AM (Chair): We heard the opposite earlier on, from Shirley, that they are working hard to get pilot schemes very right, because they do not have the capacity to roll it out, so instead they are working on improving the pilots. Does that make sense?

Léonie Cooper AM: There is not any speed. Since the Code for Sustainable Homes was abolished it has been really, really slow.

Siân Berry AM (Chair): Yes, it is getting better, but slower.

Léonie Cooper AM: It is just insignificant these days, I am sorry to say.

Andrew Boff AM: Two [questions] to Mr Tully. Investing in the retrofit of the social sector is a good place to start building the industry, but sooner rather than later, homeowners and the private rented sector will require an increase in retrofit works. How can these tenures be encouraged, bearing in mind they are being asked to do a lot of other stuff at the same time?

Bradley Tully (Senior Public Affairs Officer, Royal Institution of Chartered Surveyors): There are a number of ways that we can encourage change in the owner occupier sector or the private sector. Regulation from central government is one of the best ways of encouraging consumer change. There are also other things that can be done, in terms of green finance initiatives and other initiatives. Mortgage lenders can play a role, for instance, through offering green lending for home improvement work. In our policy paper last year, we also said that Government could potentially support a home improvement individual savings account (ISA) or things like that, things that encourage behaviour change and consumer change. Incidentally, we also recently published Royal Institute of Chartered Surveyors (RICS) Low Carbon Consumer Guide, around the practical steps that consumers can take to lower their bills and improve rates of fuel poverty. I would be happy to send that to the Committee as well. We would really welcome any endorsement from the Committee in terms of publicising that and pushing it out more broadly. There is an issue around funding and skills and all these issues. There is also an issue around how we change consumer behaviour across all kinds of tenures.

Andrew Boff AM: Do you think that there is a danger that that regulation you mentioned might result in fewer people wanting to get involved in the housing business?

Bradley Tully (Senior Public Affairs Officer, Royal Institution of Chartered Surveyors): No, not necessarily. It is really about bringing people along and taking a holistic approach. If you are engaging with industry and if you are engaging with the financial sector, then people will not fear change.

Andrew Boff AM: Thank you. Councillor Harrison, Do you find that there are some lease terms that pose a barrier to retrofitting?

Councillor Adam Harrison (Cabinet member for a sustainable Camden, London Borough of Camden): It depends what type of measure you are trying to implement. Like I said before, we have certainly been introducing insulation and window replacement as part of our general works programme. It is something we are still looking at. When you start to get into replacing gas powered heating with air source heat pumps or ground source heat pumps or so on where the costs are quite significant, that is something we are still trying to tackle and there could well be obstacles.

Andrew Boff AM: Yes. Some of us have a view that leaseholders are asked to pay enough already and just asking them to pay more and more seems unfair really.

Councillor Adam Harrison (Cabinet member for a sustainable Camden, London Borough of Camden): Perhaps. I should say here I am a Camden leaseholder, just to be clear. The vision is clear that we do need to be decarbonising our housing stock. It is a question of how we do that. Shirley [Rodrigues] mentioned the Energiesprong initiative earlier and there are other similar models. Ideally this is how it would work: you would allow leaseholders to pay some sort of a regular charge to account to help fund works that need to be

undertaken over time. That is another more constant income stream that you could start to apply to allow councils and other property owners to be able to undertake these necessary works.

Andrew Boff AM: Do you anticipate Camden being tempted to build more tall buildings, bearing in mind the inherent problems that there are?

Siân Berry AM (Chair): That is very much a planning committee question, if you can answer very quickly.

Councillor Adam Harrison (Cabinet member for a sustainable Camden, London Borough of Camden): The Government seems to be wanting to encourage us to build tall buildings and to say where they are going to go.

Andrew Boff AM: I know their faulty view. Do you think you are going to be building more?

Councillor Adam Harrison (Cabinet member for a sustainable Camden, London Borough of Camden): Not to fund retrofit.

Léonie Cooper AM: What does that have to do with retrofit Chair?

Siân Berry AM (Chair): I am indulging you for one moment, AM Boff.

Andrew Boff AM: The problem with tall buildings is that they are inherently energy inefficient. We have heard today already that we are building homes now that will require retrofitting.

Siân Berry AM (Chair): That is a very good point.

Andrew Boff AM: If so, do you not think we should stop it and start to reflect that these tall buildings are creating problems for the future and will need retrofitting?

Siân Berry AM (Chair): I am really sorry, Andrew, you are talking very eloquently there, but I have to bring the meeting to order. I wanted to ask one very quick wrap-up question to Councillor Harrison, which is Shirley [Rodrigues] listed the councils that are part of the Innovation Partnership and Camden is not. Could you very briefly tell us why not?

Councillor Adam Harrison (Cabinet member for a sustainable Camden, London Borough of Camden): I cannot answer that directly, but what I can say is we are working with other councils to develop partnership working on skills and on funding. We are collaborating with other boroughs to be able to devise solutions for the future. That regional model is going to be really important. It is something we are hoping to develop, so that we procure at scale and so we can work together at scale on working with contractors, working with further education providers and so on. It is bringing together all the pieces of this puzzle.

Siân Berry AM (Chair): It is not that you are against it, you are just not in it yet, as it were?

Councillor Adam Harrison (Cabinet member for a sustainable Camden, London Borough of Camden): No, certainly not against it. I know Camden's officers are collaborating at a number of levels and in a number of different formats, with London Councils, with the GLA. It is possible they were at capacity when they were offered the opportunity. I am afraid I do not know why we are not part of it directly. Like I say, there is a huge amount of partnership work going forward that we really want to ramp up to see how we can deliver on this

challenge, which is not going fast enough at the moment, which is perhaps why we were stumped by an earlier question. It is good that we are also doing some whole property retrofit as well, similar to some of the work that Shirley [Rodrigues] mentioned. Really the challenge is about how to scale up and ramp up as quickly as possible.

Siân Berry AM (Chair): Thank you. Bradley [Tully], you mentioned that you have produced a guide for landlords and homeowners, people who might be interested to do works. I was really interested in what Susan [French] had said about there being this 20-step process to apply and knowing that the Green Homes Grants and other ways of doing things are a barrier. I am going to leak into planning now. On the planning permission side of things, do you find that that is a barrier? I certainly, as a local councillor dealing with case work in my ward, sometimes find that one of the major barriers people have is the worry that they will not get planning permission, because they are in a conservation area. Certainly, with solar panels, which I know Shirley has said very much is, if you cannot get down the energy use then make the energy you use renewable. That is one of the ways of bringing down the carbon of a home. If your solar panels face the road, when they are facing south, you may not get permission. All those things might be barriers. Does your guide aim to deal with those and are they significant for people who might otherwise be funding it themselves?

Bradley Tully (Senior Public Affairs Officer, Royal Institution of Chartered Surveyors): The guide that we produce is very high level about the very basic steps that you can take and also says that the more extensive work that you can do in terms of retrofitting and the expertise that you can call on to get guidance on that. In terms of the exact planning decisions and rules, I am not entirely sure on that. I can certainly get back to you on that when I send across this guide. There probably is a level of consumer hesitance about what they are and are not allowed to do in their own home. Yes, as much as we can create clarity on that as possible is very welcome.

Siân Berry AM (Chair): Susan, you mentioned something about the heritage buildings that you have, do you think some kind of discussion about heritage and conservation changes and rules and ways of doing it that are compatible might be a useful thing to do?

Susan French (Chief Executive of Barnsbury Housing Association and Vice Chair of the g320): It is absolutely essential. Speaking to another much bigger landlord, they are having discussions with one of their local authorities about treating the front of properties and the back of properties differently. The area where we work, that is not something where there is a dialogue opening up at the minute, but it is absolutely essential, because the messages we are getting are that heritage trumps everything else. That is not sustainable in the long-term.

Siân Berry AM (Chair): It does not even have to be an even or in some cases. We will think about that. Bradley, you have talked and we have all talked a number of times about the fact there is a skills gap. Is there anything you can do for us today to put some numbers on that in terms of the significance of it to the ability to achieve the targets and also, how many jobs? The Mayor mentioned 150,000 jobs. Is that a good number?

Bradley Tully (Senior Public Affairs Officer, Royal Institution of Chartered Surveyors): I do not have exact figures about what we need. It is similar to the issue of funding; we recognise that it is significant and there are different views about --

Siân Berry AM (Chair): Can you put an order of magnitude? Is it tens of thousands of people need to be trained or is it hundreds of thousands?

Bradley Tully (Senior Public Affairs Officer, Royal Institution of Chartered Surveyors): I would not like to hazard a guess, it might be slightly out. I am sure I can get back to you and give you a rough estimate of what we expect. There are things that Government, again, can do. For instance, temporarily cutting value added tax (VAT) on home improvement work, which currently favours new build, to 5%. That is something that we and other organisations have pushed for. We have said that that could create tens of thousands of green jobs. It has an economic stimulus as well. There are things that can be done in order to try and create that demand. In terms of skills, we also need to build up the knowledge. RICS professionals are upskilling and there is more that needs to be done in terms of improving the skills of installers, engineers, estate agents, and surveyors. There are a lot of people in the mix.

Siân Berry AM (Chair): You cannot put any numbers on the number of training places, the number of new tutors, the number of ...?

Bradley Tully (Senior Public Affairs Officer, Royal Institution of Chartered Surveyors): I will certainly get back to you on that. It is not my area unfortunately.

Siân Berry AM (Chair): OK, if you could find out for us that would be really interesting. I imagine the whole picture is incredibly complicated by the gap in people coming from other countries to work here as well, with coronavirus and Brexit. All of those things interact.

Bradley Tully (Senior Public Affairs Officer, Royal Institution of Chartered Surveyors): Indeed, yes, that has certainly had an impact on supply chains and deliveries as well.

Siân Berry AM (Chair): Yes, trained people may not be available to do the training. Susan?

Susan French (Chief Executive of Barnsbury Housing Association and Vice Chair of the g320): I was just going to add one thing about that, a piece of work that is being done, this is nationally, to get to net zero by 2050, 3,500 homes have to be retrofitted every week. I do not know what the numbers being retrofitted are, but it is probably 1% of that. That just gives some idea of the challenge, I suppose.

Siân Berry AM (Chair): In terms of the skills gap, is there anything that is missing at a London level? The Mayor is working on skills academies and there is a recovery programme being put together. Is there anything you think could be done without Government funding at the London level that we could encourage the Mayor to do?

Councillor Adam Harrison (Cabinet member for a sustainable Camden, London Borough of Camden): Funding being made available to support apprenticeships, to support training courses at local level throughout the network of construction centres that exist or the further education colleges that we have, would be a helpful component of that wider picture of the sector ramping up, the sector expanding, of hopefully the creation of more new local companies. There is not the capacity at the moment to deliver what we need to. So some kind prime funding within that sector would be extremely helpful. Again, there would be a variety of forms that could take. The apprenticeship pathway is not terribly clear into retrofit at the moment. Also, at the moment there is a lack of electricians, scaffolders, all sorts of construction workers. There is likely to be a lack of specialists in the whole house deeper retrofit challenge that we are going to have to deliver on as well. To make sure those newer skills are more available as well, would be helpful to support those financially.

Siân Berry AM (Chair): Thank you, that is really helpful. The thing about apprenticeships is they need to be with firms that already exist. You train on the job. That would be something we could do with those firms that we have in partnership, potentially. Thank you so much to our guests.