

REQUEST FOR DIRECTOR DECISION – DD2651

Title: Renewal Parity Pathways Licence

Executive summary:

The Warmer Homes team is seeking approval to renew its licence for the use of the Pathways product, purchased from Parity Projects in 2022 (approved under cover of ADD2575). The licence will be valid for one year. Pathways collates various data sources to produce a full energy model of an area's housing stock. Users can view and report on the stock's baseline performance and profile, and identify installation options. The team will use the product to find households that are potentially eligible for retrofit funding. This will assist in the development and delivery of the Home Upgrade Grant 2 project (approved under cover of MD3132); and the development of further projects, targeted domestic retrofit engagement, and partnership working with London Councils and boroughs. London Councils and boroughs will benefit from access to this licence. If approval is granted, the licence will be renewed using the ICT Reseller and Associated Services Framework Agreement number ICT12833.

Decision:

That the Executive Director of Good Growth approves: expenditure of £61,925 to purchase an annual licence from Parity Projects for the Pathways product (under TfL's ICT Reseller and Associated Services Framework Agreement number ICT12833).

AUTHORISING DIRECTOR

I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

Name: Philip Graham

Position: Executive Director of Good Growth

Signature:



Date:

29/08/2023

PART 1 – NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

- 1.1. The Mayor wants to make London a zero-carbon city by 2030, while protecting the most disadvantaged by tackling fuel poverty.
- 1.2. Low-income Londoners are facing an exceptionally challenging period, with the initial and ongoing impacts of coronavirus exacerbated by rising energy prices. The Warmer Homes programme is focussing on immediate actions to make homes greener and warmer, which will help to reduce energy use and, therefore, lower bills and cut carbon. These actions will particularly help vulnerable Londoners, who are disproportionately affected by the rising cost of living.
- 1.3. The government's Clean Growth Strategy sets out an aspiration for all fuel-poor homes to be upgraded to Energy Performance Certificate (EPC) Band C by 2030; and for as many homes as possible to be EPC Band C by 2035 where practical, cost-effective and affordable. The statutory fuel-poverty target for England, set out in 2014, is "to ensure that as many fuel poor homes as is reasonably practicable achieve a minimum energy efficiency rating of Band C, by 2030". In February 2021 the government published its fuel-poverty strategy, Sustainable Warmth: Protecting Vulnerable Households in England, which outlines steps towards this target. The Mayor's Fuel Poverty Action Plan lays out actions to help achieve this target in London.
- 1.4. In 2022 the GLA received £40.24m in funding from the government's Sustainable Warmth Fund to upgrade energy-inefficient homes of low-income households in London. This programme is now at the managed closure stage, with completion due in September 2023.
- 1.5. In December 2022 GLA applied successfully for £12m from the Home Upgrade Grant phase 2 (HUG2) to retrofit 580 off-gas grid properties across London (see MD3132). To be eligible for funding, households must have an income of below £20,000 per annum after tax, national insurance and housing costs; or must be in a Lower Layer Super Output Area, bands 1 to 3, and have an EPC rating of D or below (with the number of D-rated homes capped at 30 per cent of the total).
- 1.6. The Warmer Homes team, working with London Councils, intends to use data to identify clusters of properties eligible for HUG2 funding; and develop a focused engagement plan to ensure resources are concentrated where a high conversion rate from application to retrofit completion is likely. The Pathways product from Parity Projects will support this, providing data and retrofit scenarios to support focused engagement with households across London.
- 1.7. Parity Projects specialises in modelling options to improve the energy and carbon performance of existing housing stock. Pathways has access to 10m properties, and is the only product of its kind available for the Greater London area. It uses various data sources to produce a full energy model of an area's housing stock. Users can then view and report on the stock's baseline performance, profile and identify installation options, and test investment scenarios, for example:
 - seeking the most cost-effective ways of reaching energy targets, such as minimum Standard Assessment Procedure (SAP) rating, or net zero, across all stock or a specified group
 - modelling the effect of a planned installation programme
 - identifying measures, meeting various criteria, that could be added to an existing programme
 - calculating the SAP rating, energy intake, fuel bill and CO₂ savings for options and scenarios evaluated.

- 1.8. The data analysis is done automatically and at individual property level. Therefore, when data is updated (for example, on site or in the measures' price set), the recommendations for investment scenarios update automatically.
- 1.9. Pathways is provided on an annual licence basis, which includes unlimited access. The first-year licence also covers the entire on-boarding process – including data collation and upload, the setting-up of core investment scenarios, and staff training.
- 1.10. The Pathways licence will be renewed using the ICT Reseller and Associated Services Framework Agreement number ICT12833. Parity Projects is uniquely able to provide compatibility with the delivery of the Sustainable Warmth Scheme. It is the leading supplier of data, analysis and modelling for net zero and retrofit, with the most comprehensive and relevant datasets of the Greater London area.

2. Objectives and expected outcomes

- 2.1. Approval to renew a one-year licence for Pathways will allow the GLA to access data about the energy efficiency of London housing stock. Pathways is the only product of its kind, with data collected from London's 33 boroughs.
- 2.2. Access to the data will support the delivery of the HUG2 project and the wider Warmer Homes and Retrofit London programmes. It will enable staff to locate households across London that are eligible for funding administered by GLA.
- 2.3. The data will be used to find and target eligible households. This will enable the GLA and London Councils to develop a tailored engagement plan for HUG2.
- 2.4. The data will be used to work in partnership with the boroughs to ensure we are reaching as many of London's retrofit-eligible households as possible.

3. Equality comments

- 3.1. Under section 149 of the Equality Act 2010, as a public authority, the GLA is subject to the public sector equality duty and must have due regard to the need to:

- eliminate unlawful discrimination, harassment, and victimisation
- advance equality of opportunity between people who share a relevant protected characteristic and those who do not
- foster good relations between people who share a relevant protected characteristic and those who do not.

Protected characteristics under section 4 of the Equality Act are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation, and marriage or civil partnership status (all except the last being "relevant" protected characteristics).

- 3.2. The GLA will take appropriate steps to ensure there are no potential negative impacts on those with protected characteristics in relation to the scheme's development, design, targeting, marketing and delivery. This will be done by ensuring compliance with the Mayor's Equality, Diversity and Inclusion Strategy; and developing and testing in line with GLA guidance on equalities and diversity. Those with protected characteristics will continue to gain from the positive benefits of this scheme in equal measure, should their households be eligible. There will be equality of access to participate in the delivery, and benefit from, the programme, without discrimination.
- 3.3. The Warmer Homes programme has been designed in line with the London Environment Strategy. The proposals were tested to ensure they had due regard to the public sector equality duty. The programme

will continue to: target residents in or at risk of fuel poverty, and homes with poor energy-efficiency levels; and promote holistic, whole-house energy-efficiency retrofits. The programme is designed to advance equality of opportunity and support those who are particularly vulnerable, whether as a result of their protected characteristics or other factors, such as their health or personal circumstances. Therefore, it is expected that continuing this programme will have a direct positive impact on lower-income and fuel-poor households through the home refurbishments. The programme has also brought greater awareness of energy use, and the opportunities for people to reduce their energy consumption and bills, whilst protecting their health.

4. Other considerations

- 4.1. Alongside supporting the delivery of the Fuel Poverty Action Plan, this proposal also aligns with relevant actions in the London Environment Strategy; the Equality, Diversity and Inclusion Strategy; and the Health Inequalities Strategy.
- 4.2. Relevant recovery missions are as follows:
 - A Robust Safety Net: The pandemic has impacted on Londoners' incomes and household bills. Support from the Warmer Homes programme will help to relieve hardship.
 - A Green New Deal: Londoners living in fuel poverty are more likely to experience cold, damp homes. The Warmer Homes programme supports access to funding for heating and insulation improvements.

Key risks and issues

- 4.3. Failure to receive approval would mean the Warmer Homes team cannot access data to support the team's remit and the aims of the Sustainable Warmth project. This would ultimately have a negative impact on delivery.

Conflicts of interest

- 4.4. There are no known conflicts to declare regarding those involved in the drafting or clearance of this form.

5. Financial comments

- 5.1. Approval is requested for expenditure of £61,925 to purchase an annual licence from Parity Projects for the Pathways product.
- 5.2. This expenditure will be funded from the Warmer Homes revenue budget within the Environment Unit's approved 2023-24 budget.

6. Legal comments

- 6.1. The sections above indicate that the decision requested of the Director falls within the Mayor's statutory powers under section 30 of the Greater London Authority Act 1999 (as amended) (the Act), acting on behalf of the Authority, to do anything he considers will promote the improvement of the environment in Greater London. In formulating the proposals in respect of which a decision is sought, officers have complied with the Authority's related statutory duties to:
 - pay due regard to the principle that there should be equality of opportunity for all people
 - consider how the proposals will affect:

- the health of persons in Greater London
- the health inequalities between persons living in Greater London
- the achievement of sustainable development in the United Kingdom
- climate change, and the consequences of climate change
- consult with appropriate bodies.

- 6.2. In taking the decisions requested, the Director must have due regard to the public sector equality duty – namely the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010; and to advance equality of opportunity, and foster good relations, between persons who share a relevant protected characteristic (race, disability, sex, age, sexual orientation, religion or belief, gender reassignment, and pregnancy and maternity) and persons who do not (section 149 of the Equality Act 2010). To this end, the Director should have particular regard to section 3 (above) of this report.
- 6.3. If the Director makes the decisions sought, officers must ensure that the licence required is procured in liaison with TfL Procurement, and in accordance with the provisions of TfL’s reseller Framework; and that a call-off contract is put in place between, and executed by, the GLA and provider before commencement of the supply.

7. Planned delivery approach and next steps

Activity	Timeline
Approval to purchase licence	August 2023
Continuation of access to product	August 2023
Engagement development	August – September 2023
Information from Pathways shapes delivery of engagement activities	August 2023 to May 2024
Final evaluation start and finish	June 2024

Appendices and supporting papers:

None

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will be published either within one working day after it has been approved or on the defer date.

Part 1 – Deferral

Is the publication of Part 1 of this approval to be deferred? NO

Part 2 – Sensitive information

Only the facts or advice that would be exempt from disclosure under the FoIA should be included in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to confirm the following (✓)

Drafting officer:

John Kolm-Murray has drafted this report in accordance with GLA procedures and confirms the following:

✓

Assistant Director/Head of Service:

Elliot Treharne has reviewed the documentation and is satisfied for it to be referred to the Sponsoring Director for approval.

✓

Financial and Legal advice:

The Finance and Legal teams have commented on this proposal, and this decision reflects their comments.

✓

Corporate Investment Board

A summary of this decision was reviewed by the Corporate Investment Board on 21 August 2023.

✓

INTERIM CHIEF FINANCE OFFICER:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature:

Anno Casbolt

PP on behalf of Enver Enver

Date:

21/08/2023