MAYOR OF LONDON

Zack Polanski AM

Chair of the London Assembly Environment Committee
C/o Matthew.Honeyman@london.gov.uk

Our ref: MGLA230124-4914

Date: 7 August 2024

Dear Zack,

Thank you to the Environment Committee for sharing its Community Energy report. My officers have responded to the recommendations in the annex below.

I welcome that the report recognises the important contribution community energy is making in achieving my objective for London to be a net-zero city by 2030 and the role my London Community Energy Fund has played in supporting this sector when the previous Government withdrew funding. This has allowed 168 projects to deliver 2.6 MW of community owned renewable energy since 2017, making this one of the most supported regions in England.

As you know, further funding has been offered to community energy organisations through the seventh round of the London Community Energy Fund. This will support community owned renewable energy projects as well as support groups to develop services to assist Londoners in taking steps to increase the energy efficiency of their homes.

My officers are working with community energy groups in London to understand how they can support them to develop further. They are also continuing to work with London boroughs to support them to offer their own community energy funds. This has seen seven boroughs now offering their own support programmes.

Yours sincerely,

Sadiq Khan

Mayor of London

MAYOR OF LONDON

Annex

Mayor of London's response to the recommendations of the London Assembly Environment Committee's report on Community Energy

Recommendation 1

The Mayor's London Community Energy Fund (LCEF) has been oversubscribed and highly successful. The Mayor should increase the funding available for community energy in his 2024-25 Budget plans, to enable more projects to be supported; and establish this as a regular fund in the GLA budget each year.

The Mayor is funding community energy projects in 2024-25 through a seventh phase of the LCEF.

The Mayor's budget for 2024-2025 includes provision for solar and community projects. My officers are reviewing options to help this important sector grow, including how the GLA can help tackle barriers to the delivery of community energy measures.

Recommendation 2

The Mayor should support London boroughs to develop their own community energy funds, using carbon offset and other funds; and providing clear examples and case studies in future guidance and monitoring reports, showing how this can be done. As a minimum, 10 per cent of carbon offset funds received should be dedicated to the borough's community energy fund.

The Mayor's <u>guidance for Local Planning Authorities</u> to establish carbon offset funds gives good examples of where boroughs have set up processes for community groups to apply for funding. The Mayor will continue to support London boroughs to develop their own community energy funds, as has been done in Camden, Haringey, Hackney, Hounslow, Islington, Lewisham and Southwark, and advocate for more boroughs to set up their own funds, including through London Councils.

GLA officers will continue to share resources and materials used for the LCEF to help boroughs develop their own funds, including monitoring reports and templates.

The Mayor will continue to encourage boroughs to use Carbon Offset Funds to support community energy funds; however, some boroughs will use other sources of revenue to fund community energy projects. The Mayor cannot specify what percentage of carbon offset funds need to be dedicated to community energy funds.

Recommendation 3

The Mayor should ensure that funding criteria for energy projects (such as for future rounds of the LCEF) supports community energy groups to train and develop staff and local community members; and improve diversity in the community energy sector.

The Mayor is already providing funding to support community energy groups to train and develop staff and community members as through the sixth and seventh rounds of the LCEF. This funding will also continue to support projects that improve diversity and inclusion in the community energy sector. For instance, we are supporting projects undertaken by South East London Community Energy, whose staff team are majority from black and minority ethnic backgrounds and speak eight

MAYOR OF LONDON

community languages. The Mayor's energy team will continue to review how budget can be used in future to support these aims.

Recommendation 4

The Mayor should provide core and multi-year funding (to cover ongoing, non-project specific costs) for community energy groups, based around service-level agreements, for developing projects and providing energy-efficiency advice to local communities. The Mayor should also explore how he can help increase the number of community energy groups across London.

GLA officers are exploring, with community energy groups, the opportunities for groups to provide services beyond energy generation, to local communities. This is to understand what resources community groups require to deliver services, including energy-efficiency advice, and household engagement at a suitable level. The Mayor has also provided funding to Community Energy London, which has helped to facilitate collaboration and coordination between community energy groups.

Recommendation 5

The Mayor should increase funding for community energy groups to provide local energy-efficiency advisers, building on the experience of the Warmer Homes Advice Service, as they are often trusted to provide independent advice (where others are not), and understand local concerns.

GLA officers are exploring opportunities with community energy groups for them to provide services through the Mayor's energy efficiency schemes, including working with the Warmer Homes Advice Service and future developments in wider energy advice services.

Recommendation 8

The Mayor should explore providing additional planning guidance for local authorities to remove planning barriers to installing solar panels. This includes presuming in favour of solar panels in conservation areas, wherever possible, using RBKC's approach as a potential model.

The Mayor agrees that unnecessary planning requirements should be removed to support solar panel installation. The Mayor has supported boroughs in the process of creating new planning policies to increase the uptake of solar photovoltaics (PV) by commissioning research into the planning approaches to solar PV on existing buildings in London.

The recently adopted Local Listed Building Consent Order allowing solar panels on certain listed buildings in the Royal Borough of Kensington and Chelsea is an example of how barriers can be removed that other boroughs can adopt.

In December 2023, the Government <u>amended planning rules for solar panels</u>, allowing buildings with flat roofs to have panels installed without applying for planning permission, and that eases restrictions on deploying solar technologies in conservation areas. This should help reduce the planning barriers to installing solar panels.

As part of the <u>Planning for London Programme</u>, the Mayor is exploring how the next London Plan should support low carbon retrofit.