

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD2230

Title: Fuel Poverty Support Fund

Executive Summary:

As set out in his draft Fuel Poverty Action Plan, the Mayor wants to address fuel poverty so that every Londoner can feel live in a warm, healthy and affordable home. MD2197 (Fuel Poverty Support Programme 2017-2019) approved up to £150,000 grant funding towards supporting the development of borough fuel poverty advice and referral projects in 2017/18. This relates to the first phase of the Mayor's Fuel Poverty Support Fund, launched in December 2017, which will run from 2017-2021 with a total budget of £500,000.

This first phase of the Support Fund, launched in December 2017, was oversubscribed with high quality applications. Following a competitive application and review process we therefore recommend funding more projects than originally forecast in order to ensure greater coverage of London to align with a new Mayoral fuel poverty and energy efficiency scheme. This will help support boroughs to deliver fuel poverty advice and referral services in London as soon as possible. We are proposing to support these projects to a total cost of up to £250,000 between February 2018 and March 2019. Therefore, this DD seeks approval to grant fund an additional £100,000 from the Environment Team's £500,000 fuel poverty budget to support projects in 2018/19.

Decision:

That the Mayor approves:

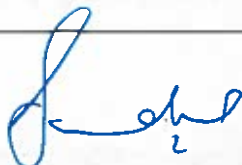
Expenditure of up to £100,000, from the £500,000 fuel poverty budget and in the form of grant funding, as a contribution to the costs of up to four borough projects that have applied for funding under the Fuel Poverty Support Fund. This funding is additional to the £150,000 funding allocated to the Fuel Poverty Support Fund through MD 2197 (i.e. total expenditure of £250,000).

Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision, and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:



Date:

23/11/18

PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

Decision required – supporting report

1. Introduction and background

- 1.1 The Mayor wants to address fuel poverty so that Londoners can live in homes that are warm, healthy and affordable. He also wants to make London a zero-carbon city by 2050.
- 1.2 The draft London Environment Strategy¹ and Fuel Poverty Action Plan² set out the Mayor's ambitions to create a world-class home energy efficiency programme. He will work with boroughs and other stakeholders to roll out projects to both reduce CO₂ emissions and help Londoners living in poverty. These will also help achieve positive health outcomes through retrofitting households struggling with energy costs.
- 1.3 Historically London boroughs have been a key provider of fuel poverty support programmes, with several being delivered at significant scale. Such programmes have been particularly successful in seeking to understand and address the often-complex circumstances of fuel poor homes and the links to income, health, wellbeing and wider housing issues. Local authorities and their partner organisations are well-placed to reach populations at greatest risk of fuel poverty.
- 1.4 Many boroughs face challenges in delivering these programmes including the resources to develop and expand these programmes and around co-ordinating activities with partner organisations that operate across borough boundaries. The Fuel Poverty Support Fund aims to help them overcome these challenges and take the first steps in developing a pan-London fuel poverty referral network.
- 1.5 The fund totals £500,000, to be allocated across four financial years from 2017-2021, an average of £125,000 per year.
- 1.6 The first phase of the Fuel Poverty Support Fund an initial £150,000, was launched on 14 December 2017 and promoted to boroughs known to operate existing programmes and through the Association of Local Energy Officers London. This first phase of borough funding will run in parallel with and support a new Mayoral fuel poverty scheme, which will help install energy efficiency improvements in fuel poor homes.
- 1.7 The deadline for applications closed on 10 January 2018 and seven applications were received. Total funding requested was £406,545. All applications were reviewed by a panel of GLA staff. The panel reviewed applications against the evaluation criteria set out in the Fuel Poverty Support Fund grant prospectus³.
- 1.8 The standard of applications was high and the number received was greater than anticipated. In order to ensure the maximum coverage of London, we would therefore like to support up to four projects up to a total value of £250,000. The grant funding for these four projects would be allocated over the period running from Q4 2017/18 to Q4 2018/19
- 1.9 The allocation of an additional £100,000 from the fuel poverty support budget to help fund these four projects, which would be spent across the 2017-18 and 2018-19 financial years, aligning with the Mayor's new energy efficiency programme, and is therefore consistent with the intention to spend the £500,000 Fuel Poverty Support Fund over the four financial years running from 2017-2021.

¹ <https://www.london.gov.uk/WHAT-WE-DO/environment/environment-publications/draft-london-environment-strategy>

² <https://www.london.gov.uk/WHAT-WE-DO/environment/environment-publications/draft-fuel-poverty-action-plan>

³ https://www.london.gov.uk/sites/default/files/fpsf_prospectus.pdf

2. Objectives and expected outcomes

- 2.1 The first phase of the fund will enable the successful borough bidders to reach a larger number of fuel poor clients, deliver more home energy visits, enhance existing fuel debt alleviation activity, recruit a greater number of network partners, or to enhance their support offer to vulnerable households. This is required to feed referrals to the Mayor's energy efficiency and fuel poverty initiative.
- 2.2 In support of this, in this first phase, the Fuel Poverty Support Fund will help to support four applications for the expansion of existing schemes operated by the boroughs of Islington, Croydon, Kingston and Lewisham. These will have a combined estimated potential to benefit up to 2,630 households, including 1,400 home energy visits and 166 fuel debt support cases.
- 2.3 By funding all four boroughs now, we can ensure both depth and breadth of fuel poverty support across London. We also plan to work with unsuccessful applicants to build capacity and prepare them for future rounds of grant funding, to provide even greater coverage at a local level, across London, in future.
- 2.4 By working with boroughs to deliver a pan-London programme we are also aiming to ensure boroughs learn from each other and share experiences, in order to ultimately provide a single referral route for services working across borough boundaries.
- 2.5 Project sustainability is important and we will work with boroughs to support them in accessing other funds beyond our own, such as carbon offset funds or Warm Home Discount Industry Initiatives.
- 2.6 A second phase of funding will be launched in autumn 2018 for the 2019/20 financial year.

3. Equality comments

- 3.1 The GLA has given due regard to its duty in respect of section 149 of the Equality Act 2010. Part of the Fuel Poverty Support Fund application form (and therefore the assessment process) required the applicant organisation to describe how they would reach groups at greatest risk of fuel poverty and most vulnerable to the impacts of fuel poverty. These were specified as:
 - private tenants
 - single parents
 - BME communities
 - those suffering from long term illness or disability
 - older people.
- 3.2 The fund is seeking to advance equality of opportunity between those who share a relevant protected characteristic and those that do not. It is also seeking to eliminate or reduce health inequalities that disproportionately affect those with relevant protected characteristics, and in particular those in the groups referenced above.
- 3.3 Since the fund was restricted to boroughs operating existing schemes it was promoted to these services specifically and through the Association of Local Energy Officers London.

4. Other considerations

(a) key risks and issues

Risk description	Mitigation actions
Boroughs are unable to complete projects	The first phase of the LCEF supports the expansion of existing schemes. GLA officers will work closely with successful applicants and provide guidance to build on these.
GLA money is spent on developing projects which are not feasible	Instead of allocating funds in just one tranche, we will put in place staggered funding for certain elements of the project development work where progress is dependent on the completion of key milestones. Funds will be released on delivery of specified milestones, such as supporting a specified number of households. That way we will minimise any money being spent on unsuitable projects. Since all funded projects will be existing schemes they have had to display evidence of prior success.
Costs are unrealistic	Steps have been taken to minimise this risk, through the appraisal process assessing project development and costs to ensure they are realistic, including clarification questions to the applicants when we felt not enough detail had been provided.

(b) links to Mayoral strategies and priorities

- 4.1 The Fuel Poverty Support Fund has been developed to help meet objectives in the Mayor's draft Fuel Poverty Action Plan. These in turn supports the Draft London Environment Strategy. In particular:
- provide up to £500k over the next four years to support the creation or rollout of local advice and referral networks, including home visiting services, as a way of helping to improve the living conditions of fuel poor households
 - support the rolling out of existing local authority and community advice and referral networks, as a way of helping to improve the living conditions of fuel poor households
 - target support to households in, or at risk of, fuel poverty, particularly vulnerable households, such as those with long-term illness or disabilities, as part of a wider effort to generate whole house retrofit
 - implement a programme to help Londoners, particularly the long-term ill and disabled, through ensuring that they are getting access to all of the income support they are entitled to, including Benefit Entitlement Checks.

(c) impact assessments and consultations.

- 4.2 This proposal to support existing borough advice and referral services was publicly consulted on as part of the Draft London Environment Strategy and the Draft Fuel Poverty Action Plan.
- 4.3 The integrated impact assessment report for the Draft Environment Strategy identified that the Mayor's work to address fuel poverty would facilitate more resilient communities

5. Financial comments

- 5.1 Approval is sought for additional expenditure of up to £100,000 in the form of grant funding as a contribution to the costs of up to four projects successfully applying for funding under the Fuel Poverty Support Fund. This will take the total value of the first phase of the Fuel Poverty Support Fund to £250,000. The £100,000 of grant funding to be paid out in 2018/19 is to be funded from

Environment's 2018/19 Fuel Poverty budget. MD2197 (Fuel Poverty Support Programme 2017-2019) approved up to £150,000 grant funding towards supporting programmes in 2017/18, as part of a four-year commitment of £500,000 from 2017 to 2021.

6. Legal comments

The foregoing sections of this report indicate that:

- 6.1 the decisions requested of the Mayor concern the exercise of the GLA's general powers, falling within the GLA's statutory powers to do such things considered to further or which are facilitative of, conducive or incidental to the promotion of economic development and wealth creation, social development or the promotion of the improvement of the environment in Greater London; and
- 6.2 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 promote the improvement of health of persons, health inequalities between persons and to contribute towards the achievement of sustainable development in the United Kingdom; and
 - consult with appropriate bodies.
- 6.3 in taking the decisions requested, the Mayor 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 between persons who share a relevant protected characteristic (race, disability, gender, age, sexual orientation, religion or belief, pregnancy and maternity and gender reassignment) and persons who do not share it and foster good relations between persons who share a relevant protected characteristic and persons who do not share it (section 149 of the Equality Act 2010). To this end, the Mayor should have particular regard to section 3 (above) of this report.
- 6.4 officers have indicated that the expenditure proposed will amount to the provision of grant funding as a contribution to the project costs of successful funding applicants and not a payment for services to be provided. They must ensure that the proposed funding is disbursed in a fair and transparent manner in accordance with the GLA's Contracts and Funding Code and funding agreements are put in place between and executed by the GLA and successful applicants before any commitment to provide funding is made.

7. Planned delivery approach and next steps

Activity	Timeline
Return of signed funding agreements	23 January 2018
Announcement	31 January 2018
Delivery Start Date	1 February 2018
Delivery End Date	31 March 2019

Appendices and supporting papers:

MD2197: 2017/2018 Environment Team Work Programme (supporting paper, not appended)

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) 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 either be published within one working day after approval or on the defer date.

Part 1 Deferral:

Is the publication of Part 1 of this approval to be deferred? YES

If YES, for what reason:

This announcement should be delayed until after the new fuel poverty scheme is launched on 31st January 2018, to maximise the impact of publicity around the launch.

Until what date: 01/02/2018

Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be 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:

George Simms has drafted this report in accordance with GLA procedures and confirms the following:

✓

Sponsoring Director:

Debbie Jackson (by delegation from Fiona Fletcher-Smith) has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

Mayoral Adviser:

Shirly Rodrigues has been consulted about the proposal and agrees the recommendations.

✓

Advice:

The Finance and Legal teams have commented on this proposal.

✓

Corporate Investment Board

This decision was agreed by the Corporate Investment Board on the 22 January 2018

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature

Date

TOM MIDDLETON ON BEHALF OF MARTIN CLARKE

CHIEF OF STAFF:

I am satisfied that this is an appropriate request to be submitted to the Mayor

Signature

Date

D. Bellamy 22/1/2018