

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD2816

Title: Warmer Homes Advice Service Round 3

Executive Summary:

The Mayor wants to make London a zero-carbon city by 2030, while at the same time protecting the most disadvantaged by tackling fuel poverty. The COVID-19 pandemic has presented London with its most challenging period in recent history and London's recovery will be based on delivering a Green New Deal and a robust safety net.

The GLA has provided the Warmer Homes Advice Service (formerly the Fuel Poverty Support Fund) since February 2018 in order to support existing local fuel poverty advice and referral networks to expand and cover all of London. The service provides both telephone and in-home advice for households in or at risk of fuel poverty and supports applications for the Mayor's Warmer Homes programme. Alongside this, the service supports Londoners with energy and water debt relief, access to discounted tariffs for energy and water, fire safety checks and a range of other interventions.

Since the start of the service over 9,500 households have received support, and residents have been helped in every one of London's 33 boroughs. At a time when many low-income households will have been negatively impacted by the lockdown and pandemic, the Warmer Homes Advice Service will deliver on both the Robust Safety Net and Green New Deal missions. This Mayoral Decision therefore seeks approval to fund the next round of the Warmer Homes Advice Service.

Decision:

That the Mayor approves expenditure of £325,000 to support the third round of the Warmer Homes Advice Service, to be delivered by 31 March 2022.

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:

27/5/22

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

Decision required – supporting report

1. Introduction and background

Background

- 1.1 The Mayor wants to make London a zero-carbon city by 2030, whilst at the same time protecting the most disadvantaged Londoners by tackling fuel poverty. This is a stretching ambition given the scale of fuel poverty and the low take-up of energy efficiency measures. In light of the COVID-19 pandemic, the Mayor's London Recovery Programme has also set out two relevant missions: A Green New Deal and A Robust Safety Net.
- 1.2 The Government's Clean Growth Strategy sets 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 was set out in 2014 and is "to ensure that as many fuel poor homes as is reasonably practicable achieve a minimum energy efficiency rating of Band C, by 2030". *Sustainable Warmth: protecting vulnerable households in England* was published in February 2021 and is the Government's fuel poverty strategy, outlining steps towards this. The Mayor's Fuel Poverty Action Plan lays out actions to help achieve this target in London.
- 1.3 In 2019 there were 531,000 households living in fuel poverty in London, which equates to over 15 per cent of all households. London continues to lose out on funding from the Government's Energy Company Obligation (ECO); while Londoners contribute 13 per cent to ECO through their energy bills, less than 5 per cent of funding finds its way back to London. The Mayor has set out his programme of actions to address fuel poverty in London with the powers he has in his Fuel Poverty Action Plan. These include support for energy efficiency programmes such as the current Warmer Homes scheme and fuel poverty advice.
- 1.4 The Fuel Poverty Action Plan commits the Mayor to "provide a Fuel Poverty Support Fund of up to £500k over four years (2017/18 – 2020/21) to support the roll out of local advice and referral networks, including home visiting services, as a way of helping to improve the living conditions of fuel poor households", and to "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." To this end, the Warmer Homes Advice Service was established in 2018 to support existing borough advice services and their community partners to establish Londonwide provision. In the end £792k was allocated over this period.
- 1.5 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 Warmer Homes Advice Service has helped them to overcome these challenges and develop a pan-London fuel poverty advice and referral network.
- 1.6 The service is open to low-income households in or at risk of fuel poverty. Its core activities are to recruit partners across a wide range of agencies to identify and refer fuel poor Londoners and provide them with telephone and in-home energy and water advice, alongside a range of other services.
- 1.7 The economic downturn resulting from lockdown and the related increase in energy use are expected to increase levels of fuel poverty in London. Research by the Energy and Climate Intelligence Unit¹ suggests that households living in the least efficient homes could have seen their energy bills rise by £124 per month, whereas those in energy efficient homes could have seen their bills rise by only £76

¹ Lockdown in Leaky Homes, Energy and Climate Intelligence Unit, May 2020

per month. As a result, debt amongst low-income consumers in energy inefficient homes will inevitably rise.

- 1.8 Whilst energy suppliers were expected by the regulator to be lenient on those households experiencing payment difficulties during the height of the first lockdown, there is some evidence² that they are now returning to previous debt recovery approaches. Many people are now spending much more time at home, resulting in 48% of households reporting higher energy bills and 600,000 more households falling into fuel debt during 2020 across Great Britain³.

The Warmer Homes Advice Service to date

- 1.9 The Warmer Homes Advice Service (formerly the Fuel Poverty Support Fund) began in February 2018 and over two previous rounds funded the boroughs of Croydon, Islington, Kensington & Chelsea (Round 2 only), Kingston-upon-Thames (Round 1 only), and Lewisham to stitch together their existing fuel poverty and advice referral networks into a Londonwide service, ensuring that there is provision for fuel poor households in every London borough.
- 1.10 From the start of the service until March 2021, the service supported 9,577 households across every London borough, and visited 8,190 of these to deliver home energy advice visits. Of these households, 2,114 were assisted with referrals to Warmer Homes or similar programmes, 888 were supported with energy and water debt, 2,955 were signed up for discounted energy and water tariffs, and 699 were referred on for benefit entitlement checks. The service recruited 317 partner organisations across London to support them in finding and referring vulnerable households. Working with the London Fire Brigade, the service also signed up 1,285 households for fire safety checks. Demand for the advice service rose by over 50% in 2020/21 compared to the previous year.
- 1.11 GLA funding has helped the boroughs and their delivery partners secure significant match funding from sources such as UK Power Networks, the Ofgem Redress Fund, and the British Gas Energy Trust. It has also helped Lewisham to construct an effective alliance of eleven South London boroughs through the South London Healthy Homes network.
- 1.12 The Service has been successful in reaching those groups most at risk of fuel poverty. In Round 2 (2019-2021), 76 per cent of service users had a disability or long-term illness, 57 per cent were from BAME communities, and 18 per cent were lone parents.
- 1.13 Boroughs providing the service are also required to issue declarations under our Energy Company Obligation Flexible Eligibility scheme (ECO Flex). This permits local authorities to deem households eligible for ECO funding who are on low incomes or have serious health problems but are not in receipt of means-tested benefits. ECO is a sizeable supplement to our own Warmer Homes grants and, as the GLA has no direct contact or relationship with service users, the boroughs delivering the Warmer Homes Advice Service are responsible for issuing declarations and setting London-wide eligibility criteria. The Londonwide ECO Flex scheme was coordinated by the GLA and covered several boroughs who had no local scheme, allowing their residents to have full access to the funding available. In Round 2 a total of 982 ECO Flex declarations were issued.
- 1.14 There is already a link between the Warmer Homes Advice Service and London Power whereby London Power customers at risk of fuel poverty can be referred to the advice service. Officers are exploring how this link can be strengthened to sign-post and refer Warmer Homes and Warmer Homes Advice Services clients towards London Power's lowest cost tariffs.

² Energy customers face bailiffs as Ofgem allows debt collecting again, The Guardian 22/06/2020

³ Recovery or Ruin, Citizens Advice, December 2020

Award of funding to Warmer Homes Advice Service providers

- 1.15 Similar to the first two rounds, we will launch a competition inviting all boroughs to bid for funding as a contribution to their costs of the delivery of their Warmer Homes Advice Services, by way of a prospectus and application form. We anticipate and intend that several boroughs will provide the services to end users between them, with a requirement that each borough covers at least six neighbouring boroughs including their own. We expect that most boroughs will choose to work with third sector partners to deliver elements of their services, such as energy advice helplines and home energy visits.

Support to the Warmer Homes grant programme

- 1.16 The Warmer Homes Advice Service will also help to identify households which could be eligible for and benefit from the Mayor's Warmer Homes grant programme, which provides up to £4,000 worth of energy efficiency improvements to qualifying homes.
- 1.17 The second phase of the Mayor's £4.95 million Warmer Homes grant programme was launched in March 2020, funding energy efficiency improvements to 1,188 qualifying fuel poor homes. If approved by a further Mayoral Decision, a third phase of Warmer Homes will begin in 2021 to the value of £2.5m. In addition, we have received £9.45m from government through the Green Homes Grant Local Authority Delivery (GHG-LAD) scheme to provide grants of up to £10,000 per home to deliver deeper retrofits, which will include improving around 720 homes of owner occupiers and private tenants. The government has indicated that there will be further funds available from a second and third phase of GHG-LAD and a new Home Upgrade Grant (HUG) to 2023. These programmes will help households on and off the gas grid respectively. Given this expansion, it is important that the next round of the Warmer Homes Advice Service is mobilised as soon as possible.

2 Objectives and expected outcomes

- 2.1 The Warmer Homes Advice Service is expected to assist at least 2,500 low income households and the key outputs from will be as follows:
- recruit partners across a wide range of agencies to identify and refer fuel poor Londoners;
 - deliver telephone advice and outreach;
 - deliver energy advice visits and fit or provide small energy and water saving measures;
 - support applications to the Mayor's Warmer Homes grants programme and other Mayoral fuel poverty programmes;
 - identify eligible households for Green Homes Grant Local Authority Delivery funding;
 - enrol households for energy and water social tariffs;
 - assist households in fuel and water debt to negotiate with suppliers and secure relief;
 - assist households in accessing income maximisation services; and
 - refer vulnerable households for London Fire Brigade fire safety checks.

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 (i) eliminate unlawful discrimination, harassment and victimisation; (ii) advance equality of opportunity between people who share a relevant protected characteristic and those who do not; and (iii) foster good relations between people

who share a relevant protected characteristic and those who do. Protected characteristics under section 4 of the Equality Act are age, disability, gender re-assignment, pregnancy and maternity, race, religion or belief, sex, sex 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 development, design, targeting, marketing and delivery of the scheme. 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 gain from the positive benefits of this scheme in equal measure should their households be eligible, and there will be equality of access to participate in the delivery and benefit from the scheme, without discrimination.
- 3.3 The programme has been designed in line with the London Environment Strategy and the proposals in there were tested to ensure they had due regard to the public sector quality duty. The programme will target residents who are in or at risk of fuel poverty and homes with poor levels of energy efficiency, and it will aim to promote holistic, whole-house energy efficiency retrofits. The programme is therefore 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. It is therefore expected that this scheme will have a positive impact on lower income and fuel poor households directly through the home refurbishments. Indirect benefits are also anticipated by catalysing greater awareness of energy use and the opportunities for people to reduce their energy consumption and bills, whilst still protecting their health.

4 Other considerations

Links to Mayoral strategies

4.1 Relevant London Environment Strategy policy proposals:

- I. **Proposal 10.1.2.a:** To support start-ups and business growth across the economy, including in the low carbon and environmental goods and services sector.
- II. **Proposal 10.1.1.e:** The Mayor will work with stakeholders from across the financial and environmental sectors to develop financing mechanisms.
- III. **Proposal 6.1.2.a:** The Mayor will work with partners to help alleviate fuel poverty in London through implementing the recommendations of the Fuel Poverty Action Plan.
- IV. **Proposal 6.1.1b:** Pilot innovative methods to implement the stronger energy efficiency retrofitting needed.
- V. **Proposal 6.1.1a:** Contribute to helping Londoners improve the energy efficiency of their homes, where appropriate, by providing technical assistance, support and funding.

4.2 Relevant Fuel Poverty Action Plan actions are to:

- 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.
- Provide a Fuel Poverty Support Fund of up to £500k over four years (2017/18 – 2020/21) to support the roll out of local advice and referral networks, including home visiting services, as a way of helping to improve the living conditions of fuel poor households.
- Improve identification of vulnerable energy and water consumers and ensure that they are aware of support available to them.

- 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.
- Call on government to devolve ECO funds to the Mayor to disburse including through his Energy for Londoners energy efficiency programmes.

4.3 Relevant Equality, Diversity & Inclusion Strategy objectives are:

- **Strategic Objective 12:** To work with government, businesses, transport providers, voluntary groups and all relevant partners to help ensure our approach to tackling fuel poverty and improving green spaces is inclusive.

4.4 Relevant Health Inequalities Strategy objectives are:

- Through his London Food Strategy and Fuel Poverty Action plan, work with partners to tackle food poverty and fuel poverty and their impacts on vulnerable Londoners.

4.5 Relevant recovery missions are:

- **A Robust Safety Net**
The pandemic has impacted on Londoners' incomes and household bills and support from the Warmer Homes Advice Service will help to relieve hardship.
- **A Green New Deal**
Londoners living in fuel poverty are more likely to experience cold, damp homes and the Warmer Homes Advice Service supports them to use energy more efficiently and supports access to funding for heating and insulation improvements.

4.6 Key risks

Risk no	Risk	Likelihood (1-4)	Consequence (1-4)	Rating	Mitigation
1	Low uptake of the service	1	2	2	As the service would be entering its third round and building on existing provision this is very unlikely, but we and the funded boroughs would work with other boroughs and a range of stakeholders to increase uptake
2	Further lockdown limits ability to conduct home energy visits	2	1	2	We would adopt the approach taken in 2021/21 by delivering virtual home visits e.g. long telephone consultations and measures posted to

					homes. This was effective.
3	Funded boroughs fail to deliver on their targets	1	2	2	Quarterly progress meetings will be held to track progress. Funds can be reallocated to one of the other funded boroughs should a borough consistently fail to deliver.

Conflicts of interest

- 4.7 There are no conflicts of interest to note for any of the officers involved in the drafting or clearance of this decision form.

5 Financial comments

- 5.1 Approval is being sought for expenditure of up to £325,000 to support the third round of the Warmer Homes Advisory Service, to be delivered by the 31 March 2022.
- 5.2 The £325,000 cost of this proposal will be funded from the 2021-22 Environment Revenue Programme budget, specifically the allocation earmarked to support the Warmer Homes Advisory Service as approved as part of the Authority's 2021-22 budget setting process.
- 5.3 As indicated within this report, the proposed investment forms part of the GLA's wider Warmer Homes programme. The second phase of the Mayor's £4.95 million Warmer Homes programme was launched in March 2020 approved by the Mayor under cover of MD2412. A third phase will begin in 2021, to the value of £2.5m. In addition, the GLA have been awarded £9.45m from government through the Green Homes Grant Local Authority Delivery (GHG-LAD) scheme to provide grants of up to £10,000 per home to deliver deeper retrofits and this will include improving around 720 homes of owner occupiers and private tenants. The Warmer Homes Advice Service will help to identify these households.

6 Legal comments

- 6.1 The preceding sections of this report indicate that the decisions requested of the Mayor fall within the exercise of the GLA's general statutory powers to do such things considered to further or which are facilitative of, conducive or incidental to the promotion of the improvement of the environment in Greater London.
- 6.2 In formulating the proposals in respect of which a decision is sought, officers have complied with the GLA's related statutory duties to:
- (a) 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
 - (b) consult with appropriate bodies.

- 6.3 In taking the decisions requested the Mayor must have due regard to the Public Sector Equality Duty under section 149 of the Equality Act 2010, namely the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010 and to advance equality of opportunity foster good relations 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. To this end, the Mayor should have particular regard to section 3 of this report.
- 6.4 Should the Mayor be minded to make the decision sought officers must ensure that no commitment to the proposed award of funding is made until funding agreements have been entered into and executed by the GLA and successful applicants.

7 Planned delivery approach and next steps

Activity	Timeline
Fund opens for applications	May 2021
Applications submitted and assessed	June 2021
Successful applicants informed and funding agreements signed	July 2021
Service commences	August 2021
Mid-term review	December 2021
Service closes	March 2022

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 either be published 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 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:

✓

Sponsoring Director:

Philip Graham has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

Mayoral Adviser:

Shirley 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 24 May 2021.

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature

D. Gane

Date

25 May 2021

CHIEF OF STAFF:

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

Signature

D. Bellamy

Date

25 May 2021

