

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD2748

Title: Additional funding for the Warmer Homes Advice Service

Executive Summary:

The Mayor wants to make London zero carbon by 2030, while supporting the most vulnerable by tackling fuel poverty, through his Green New Deal. The Warmer Homes Advice Service has been funded by the Mayor since February 2018 and from then until December 2020 supported 7,541 London households in or at risk of fuel poverty, including delivering home energy advice visits to 5,939 homes and supporting over 1,800 applications for the Mayor's Warmer Homes grant.

The economic downturn and effects of lockdown are expected to worsen fuel poverty and fuel debt across London. This Mayoral Decision therefore allocates a further £100,000 to support an additional 485 vulnerable households and 630 home energy visits. The total number of households supported between 1 February 2018 and 30 April 2021 would therefore be 8,094, of whom 6,639 would receive home energy visits.

Decision:

That the Mayor approves:

Allocation and expenditure of £100,000 in the form of grant funding to the boroughs currently delivering the Mayor's Warmer Homes Advice Service. This funding is additional to the £450,000 funding allocated to the service through MD2412.

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:

2/2/21

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 every Londoner can feel comfortable at home. He also wants to make London a zero-carbon city by 2030. In addition, the Mayor's Green New Deal aims to tackle some of London's key environmental challenges, including the climate emergency and air quality, whilst creating jobs, developing skills and supporting a just transition to a low carbon circular economy.
- 1.2. The London Environment Strategy and Fuel Poverty Action Plan set out the Mayor's ambitions to create a world-class home energy efficiency programme and is working with boroughs and other stakeholders to roll out projects to both reduce CO₂ emissions and help Londoners who are living in poverty. These are helping achieve positive health outcomes through retrofitting homes where households are struggling with energy costs. Londoners are spending much more time at home and many more are now economically insecure. This leads to higher energy bills, energy use rationing, and higher levels of energy debt.
- 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 Warmer Homes Advice Service (formerly the Fuel Poverty Support Fund) has helped them to overcome these challenges and develop a pan-London fuel poverty advice and referral network. Between February 2018 and December 2020, the service assisted 7,451 households, including by delivering 5,939 home energy advice visits. It did this by recruiting over 270 referral partners across health and social care services, charities, housing providers and an array of community organisations.
- 1.5. The service is open to low income households in or at risk of fuel poverty and 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 and a range of other services.
- 1.6. 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 per month. Debt amongst low income consumers in energy inefficient homes will inevitably rise. Whilst energy suppliers were expected by the regulator to be lenient on 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 2020³.
- 1.7. The three boroughs currently providing the London-wide Warmer Homes Advice Service are Islington (covering most boroughs north of the Thames), Kensington & Chelsea (covering several West London

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

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

³ Recovery or Ruin, Citizens Advice, December 2020

boroughs), and Lewisham (covering South London). The allocation of £450,000 to the service was approved by MD2412 and these boroughs were awarded funding in August 2019. Their existing targets for 2019-2021 are to support 4,010 households and visit 2,346 homes. Some individual borough targets have been exceeded.

- 1.8. While Lewisham and Islington (but not Kensington & Chelsea) have been able to secure match funding from other sources such as energy suppliers, network operators and the Ofgem Redress Fund, demand for the service is considerable. Demand for the advice service increased by 21% in Quarters 2 and 3 of 2020/21 compared to the previous year. These two boroughs have now exceeded their targets and without additional funding will have to limit the number of households they support in Quarter 4 at a time when many low income households are seeking support during the winter months. The additional funding will go to all three boroughs.
- 1.9. In July 2020 the Chancellor of the Exchequer announced that a £500m Green Homes Grant Local Authority Delivery scheme would be established to deliver energy efficiency improvements in low income homes. In November 2020 the GLA secured £2.56m for Warmer Homes to support further low income households with insulation and renewable heating measures. This is welcome since Warmer Homes is oversubscribed and consequently all current funding is committed. This government funding comes with tight eligibility criteria for both household incomes and home energy efficiency levels. The Warmer Homes Advice Service will play a central role in identifying and referring eligible private sector households to the Warmer Homes grant scheme.

2. Objectives and expected outcomes

- 2.1. The additional funding would allow the service providers to support an additional 485 households. In addition, a further 630 home energy visits would take place, meaning that a higher proportion of the overall client base would receive a home energy visit. By the end of April 2021 this will mean a total of at least 8,094 low income households will have been supported, including through at least 6,639 home energy advice visits. Support for households facing fuel and water debt will also increase within this. Existing funding agreements will be modified to allow this extension.
- 2.2. The core activities of the service are to:
 - 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 grants;
 - 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.
- 2.3. Due to the pandemic home energy visits have taken place on a virtual basis since mid-March 2020 and this is expected to continue until at least the spring. These are carried out by lengthy telephone consultations, using camera phones where the resident has one, and small energy and water saving measures are posted to the home. Due to the impacts of the pandemic demand for the advice service increased considerably in 2020 therefore maintaining this more intensive element is important.

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 not. 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 equality duty. The programme will target residents who are in or at risk of fuel poverty. 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. 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

Key risks

Risk	Likelihood (out of 5)	Impact (out of 5)	Rating	Mitigation
Continued lockdown until the spring	5	2	10	Accept. The experience since March 2020 suggests that the service will be maintained but that physical home energy visits will continue to be replaced by virtual home energy visits
Insufficient referrals coming from the network	2	2	4	Avoid. The GLA Energy Team will work with the service providers to promote more widely
Excessive number of referrals received	2	2	4	Avoid. Demand will be regularly monitored, and service providers will be advised to reduce their offering and supported to secure third party funding.

Links to Mayoral strategies

- 4.1. Relevant London Environment Strategy objectives are:
- 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.

- 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:

- 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.

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 [the Mayor's] 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.

Conflicts of interest

- 4.6. 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. MD2412 approved a budget provision of £450,000 to deliver phase two of the Warmer Homes Advisory Service (previously known as the Fuel Poverty Support Fund). As detailed above, approval is now being sought to expand the existing service, which will include further expenditure of £100,000 that will be administered via funding agreements with the London Boroughs currently providing the service.
- 5.2. The additional expenditure of £100,000 will be funded from the 2020-21 Environment Programme budget, specifically the 'Energy Efficiency' budget line held within the Environment Unit. All appropriate budget adjustments will be made.

6. Legal comments

6.1. The foregoing sections of this report indicate that:

- (a) 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
- (b) 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.

6.2. 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 and foster good relations between persons who share a relevant protected characteristic (race, disability, sex, age, sexual orientation, religion or belief, pregnancy and maternity and gender reassignment) 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 of this report.

6.3. The report indicates that officers intend to award grant funding of up to £100,000 to local authorities whose projects align with the aims of the Warmer Homes Programme, in the form of support for the Warmer Homes Advice Service (formerly the Fuel Poverty Support Fund), and that this amounts to the provision of grant funding and not payment for services.

6.4. Officers must ensure that:

- 6.4.1. the funding is distributed fairly, transparently, in accordance with the GLA's Equalities Policy and in a manner which affords value for money in accordance with the Contracts and Funding Code;
- 6.4.2. an appropriate funding agreement is put in place between and executed by the GLA and recipient before any commitment to fund is made; and
- 6.4.3. the terms of any agreements entered into with the boroughs do not have the effect of fettering the discretion of any successor administration, considering in particular the London elections taking place in May 2021.

7. Planned delivery approach and next steps

Activity	Timeline
Delivery start date	February 2021
Delivery end date	30 April 2021
Project closure	30 April 2021

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

If YES, for what reason:

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 1 February 2021.

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature**Date**


2 February 2021

CHIEF OF STAFF:

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

Signature**Date**


1 February 2021

