

MAYOR OF LONDON

Amanda Solloway MP

Parliamentary Under Secretary of State (Minister for Energy Consumers and Affordability)
Department for Energy Security and Net Zero
1 Victoria Street
SW1H 0NE

Date: 13 March 2023

Dear Amanda,

Congratulations on your appointment as Minister for Energy Consumers and Affordability. We welcome the creation of your new department and look forward to working with you to deliver on our shared objectives.

As we head out of a tough winter for many Londoners, and with recent data revealing that 471,000 London households are fuel poor, we are writing about the urgent and increased support that is needed to avert a deepening energy crisis now and next winter. As members of the London Fuel Poverty Partnership, we are committed to reducing fuel poverty in London and catalysing a fair and affordable transition to Net Zero. The Partnership convenes a cross section of representatives including national and local government, landlords, tenants, the third sector and health, social care, and energy suppliers and seeks to support and advise the Mayor of London on how to maximise progress against his Fuel Poverty Strategy.

We recognise the work undertaken by your department to alleviate the situation for households in fuel poverty in London and across the UK, and support efforts to decarbonise domestic heating. However, more needs to be done at pace to support the most vulnerable people who are facing further increases in energy bills and living in cold, leaky homes.

1. Targeted financial support schemes for energy bills

The Government's Energy Bill Support Scheme, whilst welcome, is coming to an end from April 2023. This coincides with a significant 20% increase to the Energy Price Guarantee to £3,000 for the average household. As a result, thousands of Londoners will face a cliff edge of support and vulnerable Londoners will struggle to afford to heat their homes. Given falling wholesale prices, we urge the Government to delay this increase to avoid a temporary three month increase in bills.

Households on prepayment meters face even greater challenges – facing disconnection if they cannot afford to top up and struggling to access the support available. As your own department has recently reported, over a third of government support vouchers for prepayment meter customers in London remain unclaimed.

We recommend that the Government:

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- Introduces a new cheaper energy tariff for the most vulnerable households - for example, a lifeline tariff, as the Mayor of London is calling for, which would provide a basic amount of energy for free before charges kick in or a tariff which reduces both the unit rate and standing charge. These approaches chime with Ofgem's call for a review into the use of social tariffs and the Government's commitment to explore this.
- Ensures energy companies avoid the forced installation of prepayment meters by introducing stronger safeguards.
- Works with us to improve the uptake of energy vouchers across London and ensures that any underspend is ringfenced to help those in fuel poverty in the capital.

2. Energy Efficiency and Clean Heat Schemes

Investing in energy efficiency measures is the only long-term, sustainable way to combat the twin energy and climate crises. We therefore welcome the increased focus and spend on retrofit by the Government, through ECO4, ECO+ and HUG2. However, since the start of ECO3 in October 2018, only 5.7% of households receiving ECO measures were in London even though London has 12.9% of the UK's population.

Further, retrofit funding has been provided through multiple, short-term, fragmented, highly specific programmes. This has made it difficult for local authorities and other organisations to deliver, and the continual lack of certainty about future funding has stopped councils from being able to justify investment in their own capacity.

The Mayor is calling for retrofit funding, proportionate to homes and population, to be devolved to ensure London receives its fair share and so that the funding can be fully aligned with the city's existing energy efficiency programmes. This position is aligned with the Government's own Net Zero Review. Chris Skidmore is calling for a more locally led, place-based approach to net zero delivery and longer-term funding.

We recommend that the Government:

- Brings forward a national and long-term programme for home decarbonisation, with longer-term funding to match, to support the retrofit revolution we need. We believe that greater leadership and delivery at city-region level can drive change faster, providing support where it is most needed.

3. Standards

Given around two thirds of London's emissions come from buildings, it is crucial that we have improved and regulated standards for new and existing buildings.

The Partnership notes that two years after the consultation on the tightening of Minimum Energy Efficiency Standards (MEES) in the Private Rented Sector, no government response has yet been issued. The Partnership is also concerned by the lack of enforcement of existing standards requiring properties to reach EPC E by 2020, with many properties in London still being rented out below this rating.

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Several London boroughs have shown that borough-wide licensing of privately rented properties can be extremely effective in targeting enforcement at the worst landlords and helping others to reach compliance. However, there is currently a confusing patchwork of different schemes and conditions across London.

We recommend that the Government:

- Legislates to ensure the private rented sector is required to meet a basic level of energy efficiency.
- Devolves responsibility for considering and approving selective licensing schemes to the Mayor. The Mayor could then use his new powers to ensure all licensing schemes adopt a common approach.

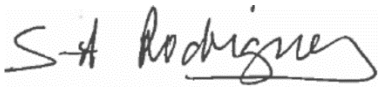
We would welcome the opportunity to meet with you to discuss these issues further.

Yours sincerely,



Dr Debbie Weekes-Bernard

Deputy Mayor for Communities and Social Justice



Shirley Rodrigues

Deputy Mayor for Environment and Energy

National Energy Action
National Housing Federation
Debt Free Advice
Association of Directors of Public Health
Generation Rent
Toynbee Hall
Origin Housing