

‘Becoming the Greenest Inner-London Borough’

Recommendations for action by LB Wandsworth on housing and the commercial sector to meet climate targets

1. Purpose

This paper by Battersea and Wandsworth Trades Union Council (BWTUC) and the Greener Jobs Alliance (GJA) outlines proposals for approaches, and actions required to realise the London Borough of Wandsworth’s ambition to become the ‘greenest inner-London borough.’ Our focus is on construction and energy in residential and commercial properties. Reducing these carbon emissions has a high impact and will achieve wide-ranging benefits including economic savings. We recommend this ‘win-win’ approach should be adopted by the Council in its strategic planning.

2. Executive Summary

- We welcome the declaration of a climate emergency in LB Wandsworth and the establishment of related targets and actions
- The current WESS strategy is very unlikely to achieve the targets established by the Council in 2019. It does not adequately address the biggest contribution to borough carbon emissions which come from commercial and domestic buildings.
- The WESS strategy requires development to achieve greater emphasis on energy and renewables to secure Wandsworth’s target outcomes. This should be a leading strand in the strategy enabling a central role for the Borough to specify and co-ordinate action
- It is improbable that the range of systemic changes required could be achieved in the time available and at the scale required by inviting individual property owners and the private sector to lead and coordinate approaches to reduce emissions.
- Building skills capability and increasing community understanding through education and training will be vital to achieving the targets. Therefore, the Borough should engage and collaborate in a joined-up approach with education and skills training providers like South Thames College
- A short-term plan to co-ordinate funding from the Green Homes Grant and other sources with time-bounded availability will be key. The Council should act urgently to become a Local Authority Delivery partner under the BEIS scheme
- Simultaneously, a mid to long-term bidding strategy should be developed to ensure sufficient funding for the Borough’s interventions to enable all buildings achieve a minimum EPC C rating by 2030. The resource required to deliver this should be regarded as a ‘*spend to save*’ investment

- The detailed components of such a strategy will require engagement with experts in the field and stakeholders including unions and community organisations. It must include a focus on decent jobs through the supply chain, social justice, and equality issues
- The Council should establish an 'Energy Efficiency and Renewables Task and Finish Group' in the Autumn of 2020. The membership of this Group should include the relevant expertise, seniority and governance to ensure progression of strategy development and implementation on a timely basis.

3. Background

In July 2019, Wandsworth Council declared a Climate Emergency, resolving to be carbon neutral as an organisation by 2030, carbon zero by 2050 and the greenest inner-London council by 2030. The Council set out its roadmap to achieve this vision in the Wandsworth Environmental and Sustainability Strategy (WESS) and produced an action plan in January 2020.¹

The GJA and BWTUC submitted a response in February 2020 which highlighted improvements that would be required to achieve the desired targets. Our conclusion was that *'We do not consider that the **actions** in the strategy can deliver the carbon reduction target in the strategy. Only 9 of the 170 actions listed are calculated to have a 'high' impact. There also needs to be a more rigorous assessment of the extent to which these actions are dependent on factors beyond the council's control.'*²

In July 2020, the Council produced an update of the WESS₃. BWTUC / GJA responded with 15 questions and comments which we submitted to a meeting with councillors and council officers. In August we convened a meeting to map out how our proposals on energy generation and efficiency could be taken forward in a way that was strategically consistent with the WESS. This paper is a product of that and will be submitted prior to a follow-up meeting being held in September 2020.

4. Carbon Emissions: Why Reducing Domestic and Commercial Energy Consumption Matters

The Wandsworth borough-wide carbon emissions analysis is contained in Appendix 2 of the WESS.⁴

*'Analysis of the data shows that the biggest area of emissions by far is that of stationary energy (emissions from the combustion of fuel in buildings, manufacturing industries, construction processes and power plants) at **69.4%**'.* It means addressing energy use in domestic and commercial activities is the **fundamental** key to reducing emissions. The lack of a strategic and systematic borough-wide intervention on energy efficiency and renewable energy in the WESS led us to raise the following questions in our response:

a) Energy efficiency question (Para 14) – What is the Council target date for ensuring that both Council housing and all homes in Wandsworth are retrofitted to ensure they achieve at least an Energy Performance Certificate (EPC) C rating?

Comment - Only **44%** of homes are well insulated in Wandsworth. This represents a waste of energy, high greenhouse gas emissions, adverse health impacts, and unnecessarily high energy bills. If one of the outcomes of Covid-19 recovery is more people working from home this will potentially lead to higher domestic energy emissions.

Upgrading the insulation of **7,032** homes per year within the Wandsworth area will ensure all homes are properly insulated by 2030. The Energy Savings Trust is calling for all homes to be at least EPC C-rated by 2030, and for local authorities to sign up to a Housing Retrofit Compact for a decade of action to retrofit our homes. This will also create ever-increasing social and economic benefits by creating a significant number of local jobs and improving the health of the community. ⁵

b) Renewable energy question (Para 22) – Why is there such limited ambition in the strategy to increase the level of renewable energy generated?

Comment – Para 22 states that Wandsworth generated 161,581 kwh of solar power in 2018-19, saving 45.26 tCO₂e. This represented **less than 0.2%** of the total emissions of 24,078 tCO₂e. The actions in the plan on **Energy Generation and Management** are particularly unambitious, and lack clarity and meaningful targets. Action points in Section 1 Points 5 and 6 refer to *‘Investigate energy generation options across the Council estate with a view to delivering a local energy/decentralised energy network. And ‘Investigate options for local energy creation projects.’*

Both these actions are delayed until next year which means that by 2022 there will have been no progress on providing additional renewable energy to the national grid or a decentralised system. The only other reference is in the Energy Management Section Point 9 *‘Explore options to install ground source heating in council owned housing blocks, including researching the outcome of pilots of this across London’*. Again, this is not a specific commitment but an unhelpfully ambiguous statement. There is no statement of intent about delivering an assessment of feasibility and viability this exploratory exercise which would be required to optimise a commitment in principle to install.

Appendix One to the WESS Update contains **no** references to a strategy for or actions on renewable generation. This is a significant oversight in any plan designed to achieve carbon neutrality.

5. Government policy

Addressing energy efficiency and renewable generation systematically will require significant government support and intervention. Of the Government’s manifesto commitment for a £9.2 billion green stimulus the following measures have been announced:

- A £2 billion Green Homes Grant made up of £1.5 billion in energy efficiency vouchers, and £500 million allocated to local authorities
- A £1 billion fund for energy efficiency measures in public buildings
- A £50 million fund for social housing upgrades.

While this money is welcome it is relatively small compared to the £12 billion provided in France, and the £36 billion in Germany. It also represents approximately one ninth of the money allocated to road infrastructure. Additionally, Government proposals to deliver carbon neutral homes by 2050 are totally inadequate compared to the previous target of 2016 under the Code for Sustainable Homes.

Despite shortfalls in the current government strategy we believe it is vital that LBW acts urgently to maximise the opportunities presented by the Government Green Homes Grant scheme if it is 'not to miss the boat'. This means acting in response to the guidance for local authority delivery that was issued in **August 2020**.

*'The Department for Business, Energy and Industrial Strategy (BEIS) is inviting LAs, working with their local partners, to apply for funding to be used to improve the energy efficiency of low-income houses living in their area. LAs are asked to come forward with previously developed proposals or new proposals that meet the desired outcomes of the scheme - The LAD scheme aims to raise the energy efficiency of low-income and low EPC rated homes (those with Band E, F or G) including those living in the worst quality off-gas grid homes, delivering progress towards reducing fuel poverty, the phasing out the installation of high carbon fossil fuel heating and the UK's commitment to net zero by 2050.'*⁶

6. Key strategy components

BWTUC / GJA advocates a comprehensive strategy that covers the following:

- a) **Timetable and targets** – Planning needs to progress during August 2020 and the decision to become a Local Authority lead on energy efficiency to access funding, completed by September 1st. The Council will be informed by September 28th if the bid is successful. *There is a deadline of March 31st, 2021, for completing the work in Phase 1.* This means that decisions are required urgently in October on supporting the energy efficiency voucher scheme and accessing public building and social housing finance. To be meaningful, a valid green energy and housing plan requires specific priority-focused actions expressed in terms of time for estimated delivery dates, estimated costs and clarity about the green quality standards that will be met in areas including building materials.
- b) **Research** – The work that has been commissioned with London South Bank University of low energy efficiency properties in Wandsworth needs to be made public. If the research is not fit for the purpose of enabling progress in this financial year further work will be required.
- c) **Retrofit measures** – Wandsworth needs to consult and engage organisations with a proven record of delivering high quality energy efficiency programmes. We are fortunate in having companies like Parity Projects based in the borough as well as organisations like Community Renewable Energy in Wandsworth (CREW) and Thinking Works. Consultation with these organisations will help to identify the most effective measures against the funding available.
- d) **Renewable energy measures** – In addition to saving energy the issue of energy generation must be addressed. Installation of air pumps, along with solar, represent huge opportunities and are detailed in the IPPR report IPPR *All hands to the pump*, July 2020 ⁷

An assessment of hydro power using the water courses in the borough should also be undertaken.

- e) **Employers and the workforce** – LBW should establish a social enterprise to co-ordinate this strategy. The Glasgow City model is an option that Wandsworth should evaluate and adopt as an innovative cost-effective approach to guaranteeing the quality of work and achieving green standards. 8 The Glasgow Model demonstrates that direct employment based on a ten-year plan to 2030 is a viable and effective way to ensure quality and delivery at scale. As a short-term contingency a register of competent contractors could be established. The Government Trustmark and Microgeneration Certification Scheme (MCS) status offers some minimum guarantees of contractor competence but rigorous criterion-based vetting needs to be in place to pre-empt risk of poor-quality work and poor value for public money.
- f) **Coordination and delivery** - Given the disruptive nature of retrofit and the varying quality of housing stock, any approach must be grounded in local communities. We recommend the Council develops an area-based approach to housing retrofit, incorporating a local plan which will take place on a street-by-street basis. Crucially, these plans will need to identify and prioritise fuel-poor homes across tenures and all homes in the social rented sector. The Council should act as the main body responsible for auditing stock and monitoring retrofit activity. In the social rented sector, a close working relationship should be developed with housing providers. Providers should work with the Council to generate costings and tenders to undertake retrofit work in the social rented sector.
- g) **Vocational education and training** - A strategic approach to the supply of competent labour to a skilled workforce will be vital to delivering the WESS. This offers an opportunity to scale up retraining, reskilling and upskilling locally based workers, potentially in significant numbers to home-grow a skilled zero-carbon workforce and to provide at-risk workers and communities with the support, time and information to make decisions about their future careers and local area development. These programmes need to be linked to viable apprenticeships and job opportunities and to recognise the benefits to the borough of spending now to achieve ever greater social inclusion and economic participation. This is what makes robust longer-term planning so important.

The action in the WESS to *'Discuss with South Thames and other education providers to ensure courses and curricula reflect changing job requirements as the economy adapts to meet climate change and environmental sustainability needs'* must reflect the urgency of this issue.

- h) **Stakeholder engagement** – A clear and structured commitment to this is vital for successful delivery. A task group of councillors, officers, relevant employers and unions, housing and training providers, and community groups should be established. A programme of residential and commercial retrofit will require maximum engagement to inspire confidence and be successful.

- i) **Decent jobs and apprenticeships** – The local economy is about to experience a major fall-out from the impact of Covid-19. The opportunity to offer local people facing redundancy a secure job in a sector with long-term prospects must not be lost. Ensuring localism and quality through the supply chain requires a planned approach to avoid the short-termism and zero-hour contracts model that has plagued this sector. The Committee on Climate Change has endorsed the just transition principle in the report on ‘Reducing UK emissions’ 9
- j) **Tackling the Social Justice deficit** – 7% of households in Wandsworth are in **fuel poverty**, which means they cannot afford to heat their homes properly. Poor insulation exacerbates this problem. The number of people in fuel poverty will increase if Covid-19 social distancing measures mean more people need to spend more time at home in the winter. The wider issue of affordable homes constructed to a high quality will also need to be addressed.
- k) **Tackling the equality and diversity deficit** – Without an effective strategic approach towards inclusion, current practice on access to training and jobs is likely to reinforce the status quo. This will further embed discriminatory practices and disadvantage will continue to impact in areas of race, gender, disability and on other minority members of the community with protected characteristics. A low energy housing policy must ensure that these issues are understood, made explicit and mainstreamed in planning and delivery.
- l) **Finance** — In order to operate at the ambitious scale called for in this paper, it is self-evident that the Council will require funding above and beyond the current government financial incentives. Beyond its statutory obligations this seems likely to demand a fundamental review of the Borough’s strategic spending priorities. Retrofit and renewable measures will require modelling against opportunities to generate public and private funding.
- m) Lobbying – The New Economics Foundation (NEF) has produced a report in conjunction with Parity Projects entitled ‘A green stimulus for housing.’¹⁰ This calls for 8.69 million UK homes to receive whole house retrofit measures over the remaining course of this parliament, saving around 15% of total domestic energy demand. Such a scheme would produce massive benefits to the wider economy. NEF calls for a green stimulus for housing that could contribute to the UK’s coronavirus recovery, climate change, poverty and the government’s levelling up agenda, helping to create a housing stock and economy fit for the century to come.

BWTUC / GJA supports this type of strategic approach and we invite LB Wandsworth to join us in lobbying for such a scheme in accordance with the WESS action commitment of working ‘with London Councils and other local authorities to develop robust, target prioritised asks and requirement from central government and the Mayor of London around climate change.’

7. Next steps

This paper is the BWTUC / GJA contribution to the complex debate required to achieve clarity and consensus on making significant cuts in carbon emissions to realise the LB of Wandsworth's WESS. Without this debate leading to a strategic framework, the ambition to become 'the greenest inner-London borough', is unlikely to be realised. The ambition will simply not be achieved. The paper will be presented to a meeting on September 16th to which councillors and council officers have been invited.

8. Sources of Information

¹ Wandsworth Environment and Sustainability Strategy (WESS) January 2020

<https://democracy.wandsworth.gov.uk/documents/s71801/Paper%2020%2027%20AP%20cover-SSA205426.pdf>

² BWTUC comments on the WESS, Feb 2020

<http://www.greenerjobsalliance.co.uk/wp-content/uploads/2020/08/BWTUC-Comments-on-the-Wandsworth-Environment-and-Sustainability-Strategy-4.pdf>

³ WESS update July 2020

<https://democracy.wandsworth.gov.uk/documents/s75120/WESS%20Update%20FCROSC%20July%202020%20FINAL.pdf>

⁴ WESS Appendix 2 Carbon emissions, July 2020

<https://democracy.wandsworth.gov.uk/documents/s71803/Appendix%202%20Paper%20No.%2020-27.pdf>

⁵ How climate friendly is your area? FoE April 2020

<https://takeclimateaction.uk/climate-action/how-climate-friendly-your-area>

⁶ BEIS Local Authority Delivery Scheme Guidance

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/906545/local-authority-delivery-scheme-guidance.pdf

⁷ IPPR All hands to the pump, July 2020 <https://www.ippr.org/research/publications/all-hands-to-the-pump>

⁸ Glasgow City Council model, Linda Clarke 2018

file:///C:/Users/graha/Downloads/106_Clarke.Linda.City%20Building%20Glasgow.pdf

⁹ Reducing UK emissions CCC June 2020

<file:///C:/Users/graha/Downloads/Reducing-UK-emissions-Progress-Report-to-Parliament-Committee-on-Climate-Change-002-1.pdf>

¹⁰ NEF A green stimulus for housing, July 2020 <https://neweconomics.org/2020/07/a-green-stimulus-for-housing>

Graham Petersen, GJA Secretary and BWTUC EC, August 2020.

Website: <http://www.greenerjobsalliance.co.uk/news/>