

Local Councils and the Green Deal

Can Parish, Town and Community Councils increase the equity of Green Deal implementation?

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Introduction

Local Councils¹ represent their communities and have close links to the people within them. They are therefore well placed potentially to play an active role in the delivery of the Green Deal². This report is the second output from a project that seeks to investigate whether, through such an active role, Local Councils could increase the equity of Green Deal implementation, and also how such a role can best be supported.

The project is funded by eaga Charitable Trust, and supported by the National Association of Local Councils and the Association of Scottish Community Councils. It has involved a stakeholder workshop to examine equity issues linked to Green Deal implementation, two Local Council workshops (one in England and one in Scotland) to discuss potential roles for these councils, and an online survey of Local Councils to gather broader views on their role in tackling fuel poverty. Further work is ongoing to develop a toolkit of resources to help Local Councils take up the roles identified.

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This report summarises some of the main concerns that have been expressed about the equity of Green Deal implementation. It then considers how Local Councils could help to overcome these concerns. To do this, the report sets out what Local Councils are, what they do, and their apparent level of interest in energy action. It then considers a range of possible roles, noting the initial reaction of Local Council representatives to these roles and some of the barriers they identified. The report concludes with some suggestions as to how these barriers might be overcome.

Concerns about the equity of Green Deal implementation

A number of key stakeholders have expressed concerns about whether the Green Deal will meet the needs of all households equally well, and whether there are some types of household that are likely to miss out on the benefits offered by Green Deal finance and the Energy Company Obligation (ECO). The main concerns of relevance to the role that Local Councils could play are summarised below³.

¹ 'Local Councils' refers to Parish, Town and Community Councils in England, Community Councils in Scotland and Town and Community Councils in Wales

² 'Green Deal' refers to the Government's package of energy efficiency policies for the domestic sector, primarily Green Deal finance and the Energy Company Obligation

³ A fuller report on the discussions at our stakeholder workshop is available from the project team: email joanne.wade09@gmail.com to request a copy.

Concerns around the equity of Green Deal implementation centre on two types of people: those who might not be seen as ‘attractive’ to providers; and those who might not be interested in what is on offer or willing to take up those offers. These concerns are explored in more detail below.

Issues with an area-based approach

There is a pressing need to reach people who suffer from severe fuel poverty. It may be that an area-based approach, offering a combination of Green Deal finance and ECO support, is the only way to ensure that all these people are made aware of the help that is available to them.

However, there is no guarantee that the Green Deal, delivered by the private sector as a business undertaking, will be rolled out across all areas of the country. Green Deal finance providers will naturally target areas that are seen to provide the best business opportunities: areas with high potential for cost-effective measures and with high proportions of households that are seen as likely to respond positively to Green Deal offers. It is difficult to estimate what proportion of fuel poor households will live in these ‘desirable’ areas. However, there are a number of factors that are likely to make an area less desirable, at least in the early stages of Green Deal implementation, for example:

- Rural, off-gas areas are likely to be excluded from Green Deal offers because of the additional costs involved in carrying out energy efficiency measures and also in conducting the surveys necessary to determining eligibility for finance offers. In particular, taking action in areas of extreme rurality, such as the Scottish Highlands and Islands, will not make economic sense for Green Deal providers or for energy companies meeting their ECO targets;
- Areas with high concentrations of hard-to-treat properties are likely to be less attractive due to the additional complexities – and hence additional costs – that these properties offer. This will include rural areas, but also large proportions of Greater London (with its Victorian solid-walled properties) and other historic city centres such as Edinburgh (with its tenement blocks).

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Policy could encourage energy suppliers to target ECO within areas of high fuel poverty but there will remain many fuel poor households distributed throughout other areas that are less disadvantaged in economic terms but might nonetheless be relatively unattractive for Green Deal providers. Even if an area-based approach does eventually cover the entire country, it will of course take time to roll out and there will remain a need to get help to people who urgently need it but do not live within an area initially targeted for Green Deal delivery. This suggests a requirement for referral mechanisms alongside area-based approaches.

Issues with Green Deal take-up

There are concerns that many households, including some of those suffering from the effects of fuel poverty, will not engage with Green Deal offers. These include:

- People experiencing language barriers;
- People with learning difficulties;
- People with a range of medical conditions that make the process of securing and implementing energy efficiency investments more difficult;
- People who do not seek help (‘I’m not complaining’); and
- Households with all adults working / busy full time (with little free time to engage with what may be an extended process).

It is not only the traditionally 'hard-to-reach' groups that may not respond to Green Deal offers. The Green Deal is a complex finance mechanism and will be difficult to communicate. People are likely to be wary of something that they do not fully understand and may be resistant to approaches on the doorstep.

Implications for Local Councils

The above concerns suggest two potential areas of activity for Local Councils: ensuring that people who need help get it (whether or not they live in an area being targeted by Green Deal providers); and helping to ensure that people are receptive to the offers that are made to them.

Local Councils: what they are and what they do

Local Councils in Great Britain

There are around 9,000 Parish, Town, Community and Neighbourhood Councils across England, representing around 16 million people (about 30% of the population)⁴. In Scotland there are estimated to be over 1,200 Community Councils⁵ and in Wales there are 735 Community and Town Councils representing around 70% of the population⁶. Councils that have taken part in this project so far are identified on the map at the end of this paper⁷.

The representative bodies for these Councils are the National Association for Local Councils (in England), the Association of Scottish Community Councils, and One Voice Wales.

Powers and roles

The councils are the most local tier of elected representation and are expected to be the voice of their local community, and to be consulted on local matters by the Principal Authority. In England and Wales, Local Councils are also responsible for a range of local services and the maintenance of community facilities⁸.

Interest in energy action

A number of the Local Councils that responded to our survey and / or participated in our workshops are already active in local energy matters. Work they have undertaken includes:

- Improving the energy efficiency of their own premises;
- Working with local residents to bid for funding for energy improvement works;
- Communicating sustainable energy messages as part of broader 'Green' initiatives;

"We are working with local partners to work with communities to promote sustainable lifestyles (using European funding) including community road shows providing information about energy efficiency with interactive activities for children (including an energy saving dolls' house)."
(Survey respondent)

⁴ National Association of Local Councils, 2010, All About Local Councils

⁵ <http://www.scotland.gov.uk/Topics/Government/local-government/CommunityCouncils>

⁶ <http://www.onevoicewales.org.uk/allabout-councils>

⁷ In Scotland, community groups such as Community Development Trusts are closely linked with actions that local councils in England and Wales might take, and hence some of the participants from Scotland represent community groups.

⁸ Local Councils in England and Wales are governed by certain provisions of the Local Government Act 1972 and the Local Government and Public Involvement in Health Act 2007. Community Councils in Scotland are governed by the Local Government (Scotland) Act 1973, supplemented by the Local Government (Scotland) Act 1994.

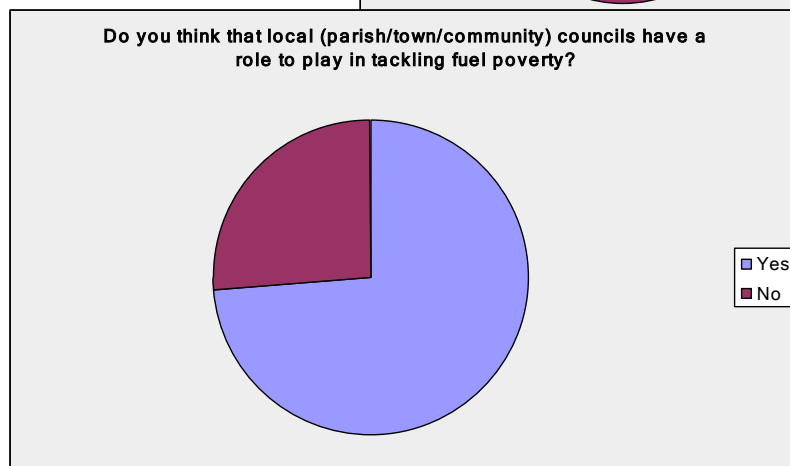
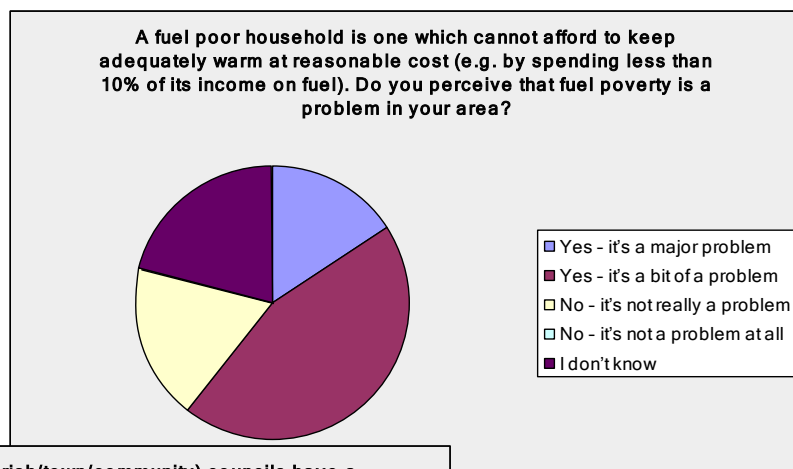
- Developing fuel buyer groups to reduce costs in off-gas areas; and
- Active participation in the local area Climate Change Partnership.

Local Councils and fuel poverty

There is a lack of consolidated geographical information about Local Councils, and so it is difficult to compare the location of active councils with the locations in which there is a high likelihood of fuel poverty. However, as mentioned above, a large part of the problem lies with fuel poor households that do not live in areas of high deprivation that can easily be identified and targeted, and also with rural, off-gas homes that are expensive to treat.

The information about Local Councils that does exist shows that rural areas are most likely to have a Local Council, whilst some smaller towns also have one, but larger metropolitan areas are least likely to have any. This does suggest that there may be a useful overlap between active Local Councils and areas where there is a need for more help with Green Deal implementation.

Around 60% of respondents to our survey believed that fuel poverty was an issue in their area, and 70% agreed that Local Councils have a role to play in tackling the problem.



Our survey gathered responses from only a small number of Local Councils: whilst time and resource constraints meant we could only engage with a relatively small proportion of the 10,000+ Local Councils in Great Britain, the level of response could also indicate a number of things, ranging from lack of time to engage with any survey of this type through to total disinterest in the area of energy action. It is very likely that the topic is not high on the list of priorities of many Local Councils, but our results have shown that at least some are keen to do more, and they are in need of help to do this.

Local Councils and the Green Deal

Potential roles

At our workshops, Local Council representatives were given an overview of the Green Deal and what it may be able to offer. We also discussed the potential issues with Green Deal delivery identified above. Given this context, workshop participants then discussed what potential roles Local Councils could play.

Roles discussed in the Scottish workshop were:

- Identifying the opportunity (both in terms of the housing stock and in terms of people who may be fuel poor);
- Generating awareness and increasing the credibility of the scheme;
- Engaging with Green Deal providers and liaising with households;
- Developing a social enterprise to deliver the Green Deal and keep money local; and
- Quality control – checking that people were happy with the outcome.

In the English workshop, the roles discussed were:

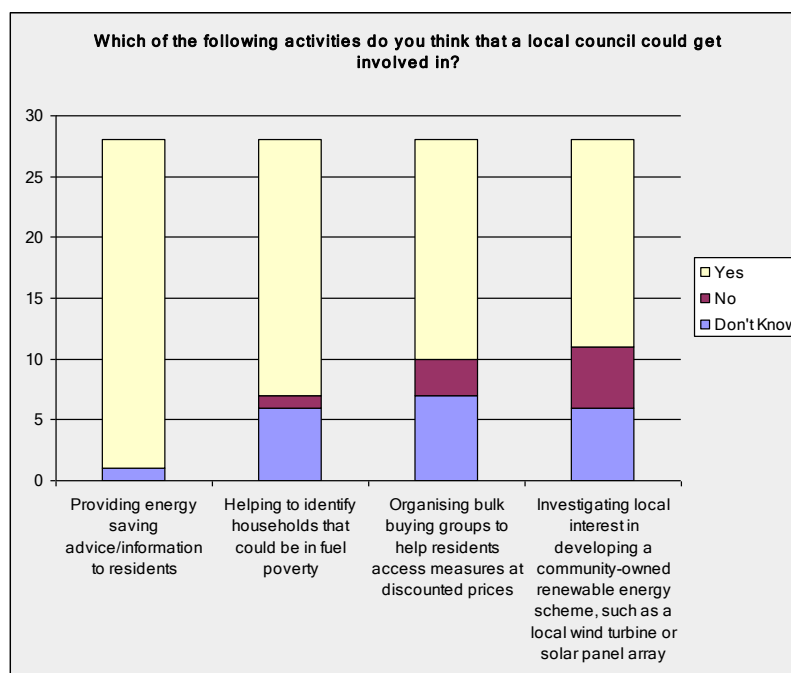
- The Council becoming an exemplar for energy efficiency action;
- Building trust in and promoting the scheme;
- Co-ordinating action to identify vulnerable people; and
- Working with Principal Authorities to help Green Deal delivery.

Our survey proposed some potential roles for Local Councils. (These were less closely focused on Green Deal delivery since respondents had not received as much information on the policy as the workshop attendees):

- Providing energy saving advice or information;
- Helping to identify households that could be in fuel poverty;
- Organising bulk buying to help residents access measures at lower cost; and
- Supporting the development of community owned energy resources.

Responses indicated that all these roles were things that many of the authorities consider to be something that Local Councils could get involved in.

Provision of advice or information, and helping to identify people in fuel poverty were more popular than other roles, and these are the first two types of role discussed in more detail here.



Information, awareness and credibility

A Local Council could contribute to raising awareness of Green Deal and increasing its credibility in a number of ways:

- Taking advantage of Green Deal finance itself to improve the energy efficiency of its buildings, and hence acting as a community leader and exemplar;
- Including information about the Green Deal in communications with its community (e.g. Parish newsletters or local 'green' events); and
- Providing a community venue for specific events where Green Deal providers could introduce and explain the idea to local residents.

Local Councils at our workshops felt comfortable with the role of information provision, as it is something that they do already. They were keen to take a lead by improving the energy efficiency of their own buildings although they did not necessarily feel that this would be easy to achieve. They could see a number of benefits for themselves in this sort of work, including providing fresh impetus to work on sustainability and, more broadly, an improvement in communications with the local community and in the level of confidence in the Local Council.

Identifying households that may be in fuel poverty

Local Councils are interested in ensuring that help reaches the people in their community that need it. It may be that an appropriate role for them in this area is to co-ordinate very local involvement in referral networks, for example by:

- Identifying the local people and groups that are best placed to know who may be in need of help;
- Ensuring that these people have all the necessary information about what help is on offer, and who it is for; and
- Working with local people to make sure that vulnerable households get help throughout the process of referral and installation.

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This type of role was attractive to the Councils for a number of reasons, including the fact that it would make use of groups that are already active in the community, and that it was seen as something appropriate for the Council to be involved in. They felt that it was another role that could potentially improve their reputation and their relationships with local people and organisations.

More complex roles: partnership working, bulk purchase and community energy enterprise

Feelings amongst Local Council representatives at the workshops about more complex roles were mixed. For example, whilst the community benefits of local social enterprises were fully appreciated, workshop attendees did not necessarily think that driving the development of such an organisation was either feasible or appropriate for a Local Council.

More complex activities necessarily require a greater time commitment. This is seen as a major barrier for Local Councils, since most of the time available to them is provided on a voluntary basis and is therefore necessarily limited. Also, there are many competing objectives that all have to fight for the time and attention of both Councillors and Officers, even when the latter are salaried council staff rather than volunteers.

Alongside this fundamental constraint, and to some extent caused by it, is the issue that many Local Councils are not seen as a key partners in the delivery of local action by some of the organisations that they would like to work with on this type of initiative (in particular,

the Principal Local Authority). The combination of these constraints does suggest that these more involved roles are unlikely to be developed by Local Councils to any great extent.

Barriers to be overcome

Although there is interest amongst Local Councils in playing an active role in Green Deal delivery, the barriers that have to be overcome should not be underestimated. Participants in our workshops and surveys identified a number of barriers, the most pervasive of which were limited resources (time and money) and a lack of confidence in the Green Deal.

Time and money

Local Councils operate with small budgets and rely on a few (if any) paid staff plus volunteer Councillors. If they are to participate in Green Deal delivery, then:

- They need to be convinced that the issues of increasing energy efficiency and reducing fuel poverty are a priority aim for their local area; and
- They need to be able to call on enthusiastic volunteers and/or receive payment for the time spent on Green Deal activities.

Confidence in the Green Deal

Local Councils have very little information about the Green Deal at present. Those we spoke to were interested to find out more, but very unclear as to where this information might come from. Many expected that they would not be offered further details of the policy, but would have to proactively search for it if they were interested in the area.

Linked to this, many expressed a reluctance to participate in delivery unless they became convinced that the scheme was useful for the residents in their local area, that the delivery agents could be trusted to deliver high quality work at a reasonable price, that the programme was likely to be sustained over time, and that they themselves had sufficient understanding of the scheme to make sensible decisions about it.

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Encouraging Local Council action

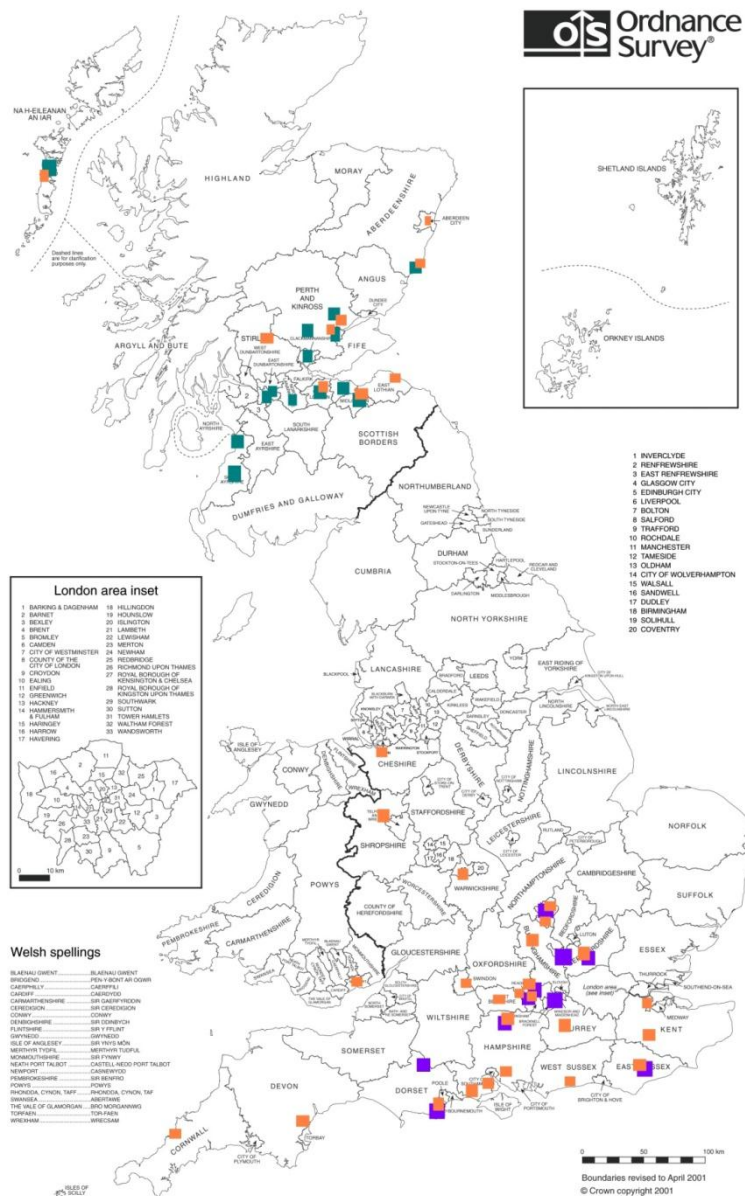
We have established that Local Councils could play a key role in helping their communities to access Green Deal. Without the involvement of the Local Council, or some other locally based group, many householders will be prevented from accessing Green Deal either through their own reticence or through the lack of any offering in their area. Whilst Local Councils have limited resources, we have identified that there is substantial interest from at least some Local Councils in taking action to help their communities in this area. We have also identified that there is a need for these Local Councils to be provided with information and support to help them take up this role. The initial work for this project has suggested a number of ways that this support can be provided.

Principal Local Authorities, and Local Associations of Local Councils can help to co-ordinate activities and ensure most efficient use of resources. Both should consider what role the Local Councils in their area can and should play, and work actively with them to develop and support projects and to build relationships with Green Deal providers.

Local Councils should be viewed as a potential partner for Green Deal delivery, and hence national Government and Green Deal providers should consider how best to consult with them and keep them informed, and what sorts of role they could usefully be asked, and enabled, to play.

This project will result in a toolkit of support materials that will hopefully go some way to explaining the importance of energy efficiency action, and increasing understanding of the Green Deal, as well as offering practical advice on how to participate. This will be developed and disseminated bearing in mind the resource limitations of Local Councils.

Local Councils and community groups that have participated in this work



Key:

- = responded to the online survey
- = took part in the England workshop
- = took part in the Scotland workshop