

LEISURE, ENVIRONMENT AND COMMUNITY COMMITTEE – 12 JANUARY 2022

PART I - DELEGATED

7A. DRAFT CLIMATE CHANGE EMERGENCY AND SUSTAINABILITY ACTION PLAN (CED)

1 Summary

- 1.1 To provide details to Leisure, Environment and Community Committee of a proposed joint district 'Solar Bulk Buy Scheme.' It will enable Hemel Garden Community Scheme (HGC) hosted by Dacorum Borough Council (DBC), and the 10 Hertfordshire Local Authorities including Three Rivers District Council (TRDC), to join together to assist residents to benefit from a solar bulk buy scheme. The scheme enables residents to install a solar photovoltaic array on their own homes, purchased at a bulk rate.
- 1.2 This will contribute to the Sustainable Environment requirement of the Corporate Framework, and assist in the reduction of District carbon emissions which is needed to support the TRDC's target of achieving net-zero by 2045.
- 1.3 At the next Hertfordshire Climate Change and Sustainability Partnership (HCCSP) meeting on 20 January 2022 HGC will be asking members to vote to if they wish to join the scheme. HGC will request that HCCSP approves that DBC are able to sign the contract on behalf of all the parties, to appoint the chosen scheme provider (iChoosr) to proceed with the delivery of the scheme. TRDC will be agreeing to sign an MOU between DBC, Hertfordshire County Council (HCC) and themselves.
- 1.4 HGC approached the UK Energy Hub to find a facilitator to run this scheme. The Hub advised that iChoosr are the only provider running a scheme with the suitable assurances and protections for customers.

2 Details

- 2.1 Hemel Garden Communities (HGC) working with its partners St Albans District Council, HCC, Hertfordshire Local Enterprise Partnership (LEP) is an ambitious development programme that will transform Hemel Hempstead and create attractive and sustainable new neighbourhoods and communities to the north and east of Hemel Hempstead, through the delivery of more than 11,000 new homes and 10,000 new jobs by 2050. The new jobs will be located mainly in the new Herts IQ business park with innovative sustainable energy sources. The programme will create a greener healthier environment supported by low/no carbon transport choices.
- 2.2 Solar bulk-buy was introduced as a suitable delivery solution as a means to embed renewable energy into HGC. Noting that to achieve maximum opportunity for change the Solar Bulk Buy scheme should be a county wide scheme to achieve maximum potential for greater discounts to residents, with the opportunity for cross border working to support those not large enough to obtain the benefits i.e. the rest of Hertfordshire, Bucks and part of Berkshire. (Bucks and Berkshire do not have sufficient homes to run a scheme alone).
- 2.3 Bucks and Berks are able to enter into their own contract with the supplier iChoosr, and not with Hertfordshire Scheme, making those authorities severed for the point of risk. The main benefit will be at auction where iChoosr will combine household numbers which will afford residents better buying power for Herts, Bucks and Berks.

2.4 **What is a solar bulk buy scheme?**

- 2.4.1 The scheme targets home-owners and private occupiers, offering them the opportunity to sign-up and pay for installation of solar panels, as well as electric vehicle charging (EV) and energy storage at a discount to the market rate. This offers savings estimated between 20-30% against an isolated purchase, and incentives to homeowners to benefit at a faster rate compared with individuals purchasing and installing the panels themselves. Local authorities benefit from de-carbonising the local electricity supply and retrofitting of existing private housing stock to have renewable energy, which is very difficult in the able to pay sector.
- 2.4.2 The solar panels are paid for by the homeowner. HGC's main involvement is a one-off letter campaign, and paying for the targeted marketing to the relevant households identified by the provider – costs estimated at £30k. HGC will be using their funding from Homes England to cover these costs. For each successful installation, commission is paid by the contractors back to HGC to offset the marketing costs and any excess could be re-used for future campaigns.
- 2.4.3 Following receipt of their letter, the customer registers their potential interest in purchasing PV units with no deposit is required, nor obligation to purchase. Then iChoosr conducts the auction with the installers successful in passing the qualification process. The auction determines the offers for installations of 4-50 panels. A personalised offer is sent to the registrant for consideration. If they accept they pay a £150 deposit, following this a desktop and then a site visit/survey is carried out. At this point the customer can choose to add extras such as an electric vehicle (EV) charging point and / or solar storage battery. iChoosr then contracts with the supplier to complete the installation process directly with the homeowner. EV Charging points and battery storage options will be subject to the same level of scrutiny as the PV arrays, as iChoosr will set the product requirements to ensure quality, suitability and value. Pricing will be tailored to individual requirements.
- 2.5 iChoosr will vet potential suppliers which includes a financial assessment and quality requirements: - workmanship warranty valid for 10 years with an insurance backed guarantee and MCS registered systems. All installers will be MCS accredited and therefore must install solar PV in line with the Solar PV standard MIS 3002. MIS 3002 includes calculation methodologies for ensuring that the roofs can withstand loads imposed by the system, and guidance outlining which scenarios a qualified structural engineer should be consulted in the design process. With regard to planning most installations are permissible under permitted development. Where they are not, iChoosr and the installer will advise the owners that a planning application is required.
- 2.6 iChoosr is the registered business name and they trade a Solar Together.
- 2.7 This programme will not qualify for UK's Feed-in Tariff (FIT) for small-scale renewable as the scheme ceased on 1 April 2019.
- 2.8 HGC will be targeting 100,000 households in Hertfordshire. The addresses will be provided by centrally by HCC using Mosaic Smart Data. 3,500 households are predicted to respond, 560 acceptances followed, with a predicted 420 firm contracts. Only addresses will be provided, not names and so has been deemed GDPR compliant.
- 2.9 The Local Authority does not put in any capital costs for the panels.

- 2.10 Timeframe for installation for homeowners between signing up and having the panels installed is six to nine months.
- 2.11 Why iChoosr? UK Energy Hub are not aware of any other organisation offering a comparable service. There are considerable barriers to entry in the development of the process and systems which means it will not be easy for others to deliver schemes at the same scale with the same assurances and protection for customers. Most councils follow the precedent set by others. The exception has been Devon which put a notice on its procurement portal and received no relevant responses and London which did the same when renewing the contract after the initial 4 year term. HGC met with UK Energy Hub, who have endorsed the use of iChoosr as the only Local Authority led Solar Bulk Buy scheme in the UK.
- 2.12 IChoosr has worked with over 150 local authorities on energy switching and solar schemes since 2012 and appreciates the requirement for excellent customer services to minimise complaints; they mainly work with Local Authorities and want to ensure their reputation is maintained. When complaints occur, they understand the importance of managing them effectively. Complaints will be handled as follows:-
 - Stage 1 Installation contractor
 - Stage 2 I Choosr,
 - Stage 3 Local Authority

Once the Local Authority participants for the scheme are confirmed HGC in conjunction with Hertfordshire Sustainability Officers Group (HSOG), will agree the process for Stage 3 to ensure the procedure is as straightforward as possible.

3 Options and Reasons for Recommendations

- 3.1 The Council declared a climate emergency and has agreed a Climate Emergency and Sustainability Strategy. This scheme is an effective way to contribute to one the Aims: *Improve industrial, commercial and domestic energy efficiency in the District in existing buildings*:
- 3.2 The scheme will contribute to the Sustainable Environment pillar of the Corporate Plan.

4 Policy/Budget Reference and Implications

- 4.1 There are no budget requirements.
- 4.2 Using iChoosr is considered best value as there are no comparable scheme/single source concessions, and this product supports and recognises Local Government procurement rules. Using this provider is expected to be cost neutral/or minimal costs and has been considered as a benefit to the resident, climate agenda and the environment on a countywide scale.
- 4.3 The recommendations in this report relate to the achievement of the following performance indicators:

Indicator Reference	Indicator Title
CP50	Climate Emergency and Sustainability Action Plan

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5 Financial Implications

- 5.1 Funding to deliver the scheme via mail-outs is provided by HGC's existing base budget provided to them by Homes England. Commission received from contractors will repay the marketing costs incurred by HGC. It is anticipated the scheme will be cost neutral, but in the event there is a surplus, the funds would remain with HGC and they would aim to use them elsewhere in line with the programme, or if there is appetite facilitate a second round of bulk buy. There is no cost to TRDC.

6 Legal Implications

- 6.1 In 2008, the government set a target for the UK to reduce its greenhouse emissions in 2050 by 80% compared with 1990 levels (the Climate Change Act 2008) and, in June 2019, government passed legislation committing it to achieving 'net zero' greenhouse gas emissions by 2050 (the Climate Change Act 2008 (2050 Target Amendment) Order 2019).
- 6.2 DBC who manage the finances of HGC will sign a contract with iChoosr. Each participating Local Authority will sign a combined MOU with DBC and HCC.

7 Equal Opportunities Implications

- 7.1 Relevance Test

Has a relevance test been completed for Equality Impact?	TBC following JLT decision
Did the relevance test conclude a full impact assessment was required?	TBC following JLT decision

8 Staffing Implications

TRDC officer time will be used to encourage uptake of the scheme through social media and e-newsletters, and in analysing the results and reporting on climate change objectives. However the time spent will be minimal and a part of the officer's normal jobs.

9 Environmental Implications

- 9.1 Solar Buk Buy supports TRDC's response to the Climate Emergency and delivery of Climate Change and Sustainability Strategy.
- 9.2 It helps local residents access a cost effective carbon reduction scheme that might otherwise be prohibitive, and will help them feel engaged with their community and support the mitigation of and adaptation to climate change
- 9.3 It can reduce an individual homes carbon emissions by approximately 1 tonne per annum according to the Energy Savings Trust.
<https://energysavingtrust.org.uk/advice/solar-panels/>

10 Community Safety Implications

10.1 None specific.

11 Public Health implications

11.1 Reducing carbon emissions will improve air quality and as a consequence health.

12 Customer Services Centre Implications

12.1 Customer Services will be briefed on the scheme to direct enquiries to IChoosr

13 Communications and Website Implications

In order to maximise the opportunity a communication plan will be implemented to complement the targeted marketing provided by HGC.

14 Risk and Health & Safety Implications

14.1 The Council has agreed its risk management strategy which can be found on the website at <http://www.threerivers.gov.uk>. In addition, the risks of the proposals in the report have also been assessed against the Council's duties under Health and Safety legislation relating to employees, visitors and persons affected by our operations. The risk management implications of this report are detailed below.

14.2

Nature of Risk	Consequence	Suggested Control Measures	Response <i>(tolerate, treat, terminate, transfer)</i>	Risk Rating <i>(combination of likelihood and impact)</i>
Reputation: There is a minor risk to the LA's reputation should the installation of the product not provide the best customer experience n	Customer complaint	Prior to auction each supplier is vetted for financial stability and their customer relations standards, and provide. The customer complaints procedure will start with the contractor, then escalate to IChoosr, then to either the individual LA or a representative of the whole	Tolerate	4

		group. This will be decided once the participants are confirmed.		
Reputation: If TRDC do not take advantage of this scheme and all other Herts LA's do there could be criticism that the Council is not taking the own Climate Change Strategy seriously.	Negative publicity	Join the scheme	Tolerate	4
The Council fails to act to reduce its' emissions	<p>The Council 2045 target is unlikely to be met, unless opportunities such as this are taken to reduce emissions across the District unless a co-ordinated programme of activity is implemented.</p> <p>The Council will not be addressing the Climate Emergency and thus will contribute further to the increase in global warming and its' consequences.</p>	For the Committee to approve the Solar Bulk Buy scheme and start assisting residents to reduce their own emissions	Treat	6

14.3 The above risks are scored using the matrix below. The Council has determined its aversion to risk and is prepared to tolerate risks where the combination of impact and likelihood scores 6 or less.

Very Likely ----- Likelihood ----- ▼ Remote	Low	High	Very High	Very High
	4	8	12	16
	Low	Medium	High	Very High
	3	6	9	12
	Low	Low	Medium	High
	2	4	6	8
	Low	Low	Low	Low
	1	2	3	4
	Impact			
	Low	-----▶		Unacceptable

Impact Score

- 4 (Catastrophic)
- 3 (Critical)
- 2 (Significant)
- 1 (Marginal)

Likelihood Score

- 4 (Very Likely (≥80%))
- 3 (Likely (21-79%))
- 2 (Unlikely (6-20%))
- 1 (Remote (≤5%))

15 Recommendation

- 15.1 That: Delegation be given to the Monitoring Officer in consultation with the Lead Member for Environmental Services, Climate Change and Sustainability to agree the Memorandum of Understanding for the Solar Bulk Buy Scheme.
- 15.2 Subject to the Monitoring Officer and Lead Member agreeing the MOU delegation be given to the Lead Member for Environmental Services, Climate Change and Sustainability to vote at HCCSP on January 20th 2022 to join the Solar Bulk Buy Scheme and give approval to be part of the contract signed by HGC/DBC with IChoosr for the benefit of Three River’s residents and reduction in District carbon emissions.
- 15.3 The outcome of 15.1 to be advised to the Chairs of the Committee and Group spokespersons.

Report prepared by: Joanna Hewitson, Climate Change and Sustainability Strategy Officer

Data Quality

Data sources: N/A

Data checked by: Rebecca Young, Head of Community Partnerships

Data rating:

.1	Poor	
2	Sufficient	✓
3	High	

Background Papers

- 1) <https://energysavingtrust.org.uk/advice/solar-panels/>