LBEG Online Meeting
Tuesday 8ᵗʰ December 2020

Minutes

All meeting presentations are available on the [LBEG website](#)
40 people joined the Zoom call

1. **Welcome and update**
   Chris Little, LBEG Chair

1.1 Chris welcomed everyone to the meeting and reflected on the worrying rumours that the Public Sector Decarbonisation Scheme (PSDS) may already be oversubscribed: this was discussed in more detail later in the meeting.

1.2 Chris then updated the group on the [COP Energy Transition Council Summary Statement](#) that was published on 7ᵗʰ December. The Council agreed to explore specific opportunities for collaboration in areas including:
   - Making clean power technologies the preferred option for countries investing in new power generation, with the aim of doubling the rate of investment in clean power by 2030.
   - Developing policy and regulatory frameworks to attract the private sector to help deliver and finance these investment needs.
   - Supporting people and communities heavily reliant on the coal economy to make a secure and just transition to clean power and other economic opportunities, ensuring that no one is left behind.
   - Enabling the delivery of SDG7, harnessing centralised and decentralised clean energy solutions to achieve universal access to sustainable, affordable, modern energy by 2030, increase energy efficiency, and maximise the wider development benefits of the energy transition.

2. **LEDNet Update**
   Dimitra Rappou, LEDNet Principal Policy and Project Manager

2.1 The London Environment Directors' Network ([LEDNet](#)) is the membership association for London's Environment Directors, chaired by Victoria Lawson, LB Hounslow. LEDNet recognises the importance of working together with Borough Officers and want to encourage this further. Their key outcomes are:
   - Best practice and information sharing
   - More cost-effective outcomes for London resident
   - Research and policy development
   - Pilots
   - Advocacy
   - Peer learning

2.2 LEDNet has 5 thematic working groups: air quality, climate change, digital innovate (a cross-cutting enabler), green spaces, and waste and resources. Energy falls across most of these groups.

2.3 Recent LEDNet activities include:
   - The [Joint Statement on Climate Change](#) with TEC: an agreement to seek and deliver collaboration between Boroughs and to involve the wider community (residents and businesses). It includes a commitment to 100% renewable energy for London's public sector.
   - Climate capability training: primarily for Elected Members and directors, the sessions reflect each of the 7 ambitions in the Joint Statement and is CPD recognised. The focus is to help understand how Members can influence decisions. LBEG members are very welcome to attend.
   - LEDNet recent publications also include [Coalition Climate Asks](#) (June 2020) and an [Air Quality Position](#), published with ADPH London (September 2019)

3. London Councils Update
   Kate Hand, Head of Climate Change, London Councils

3.1 Different Boroughs are leading priority areas (see table below). A lot of the work so far has been done by London Councils, but it's hoped that the Boroughs will lead going forwards.

3.2 London Councils have been supporting UKPN with research into the future of energy in London. The survey results showed:
- Differing views about the scale at which action should take place within London (boroughs vs. GLA)
- Agreed that hydrogen has a role to play for larger vehicles (travelling long distances)
- Agreed that gas boilers will need to be banned/adapted by 2035 at the latest; heat pumps and district heating for home
- Not agreed whether Solar PV is the main generation technology
- Not agreed that all homes will be heated by a heat pump – e.g. district heating and other renewables will have a role

The full results will feed into UKPN's Distributed Future Energy Scenarios, to be be published in January.

3.3 London Councils is also commissioning a climate evidence review to underpin the 7 programmes, and establishing a task and finish group on Scope 3 emissions: it's a tricky area but we want an agreed methodology so we can all do the same thing. We're also considering some work with Leeds University on consumption emissions modelling: happy to keep you all in the loop.

	Lead borough	Action Plan
#1 Retrofit London	LB Enfield and LB Waltham Forest	Draft expected– April 2021 (consultant recruited to draft)
#2 Low carbon development	LB Hackney and LB Tower Hamlets (*to be endorsed at TEC, 10 December*)	In outline draft
#3 Low carbon transport	RB Kingston	Pending
#4 Renewable power	LB Islington	Pending
#5 Consumption emissions	LB Harrow	In outline draft
#6 Green economy	LB Hounslow	Pending
#7 Resilient and green	LB Southwark	In outline draft

Q1:   UCL has also done some modelling for London – might this be of interest/use?
A1:   I understand the UCL modelling is just for buildings: we want to go a bit further to include embodied emissions. I think UCL is working with LB Sutton to see how the model can be used more widely.

Q2:   Where can I get help with solar?
A2:   London Councils don't have the resource to help with this, but you could try Local Partnerships, a joint-venture with the LGA and the Treasury.

Q3:   Could LBEG offer CPD training?
A3:   The LBEG Committee will discuss this at their next meeting.

4. Public Sector Decarbonisation Scheme Discussion

LBEG members split into small discussion groups to share thoughts, comments and ideas on the PSDS. The key feedback points in plenary were as follows:

- Although the initial fund has been over-subscribed, it seems to be that more funding is coming and that Salix is prepared to continue to look at applications: they're hiring more staff to help with possible under-resourcing.

- Hounslow have had a bid approved and received the offer letter yesterday. We'll be up against the timings at every stage though: heat pumps are the lead technology but lead in time is 12-16 weeks. We really appreciate the funding and we're trying to get orders in, but I've been told I need to get funding request in by 15th December with invoicing evidence etc.

- Islington has been told their skills fund bid is being put on hold: other members had been told this too. We're unsure about the new deadline or if we should press ahead.

- Westminster is pressing ahead. The Salix website advises applications received by 11th Dec would have response by 31st December so we're aiming for that. The final submission date is 11th January but might Salix receive bids beyond that? There's speculation that more money may be on the horizon.

- Harrow's bid has also been put on hold, which is of concern as they've already selected around fourteen priority 1 sites, including 9 schools. Some sites have already been surveyed but the skill funding is required to complete the others. Any delays will impact on the delivery of scheme.

- Another issue raised was capacity: with so many local authorities applying for so many sites, can the supply chain deliver?

- Have the tight timescales resulted in project costs being grossly overestimated? Salix might be trying to ringfence allocated funds but might also want to see the pipeline of potential projects to continue in case there's an underspend.

- How do we get the data required? How do you find schematics plant rooms? Could BMS data be helpful?

- What alternatives are there to heat pumps as boiler replacements? There are concerns about keeping school doors open during break times in the cold weather. Heat pumps need really good calculations and a really well insulated/airtight building to be effective. There might be some alternative ideas at https://greenbusinesswatch.co.uk/alternate-efficient-technologies-to-heat-your-home: it's for a domestic setting by it might help.

5. Hounslow's National Framework for EPCs and DECs
Henry Oriabure, LB Hounslow

5.1 LB Hounslow have recently launched a new framework not only for EPCs and DECs, but also for delivering the works. It's a unique one-stop-shop that will help you meet your zero carbon targets.

5.2 There are 4 lots:
1   Energy Performance Certificate Framework for non-domestic EPCs
2   Energy Performance Certificate Framework for domestic EPCs
3   Display Energy Certificate Framework (DEC)
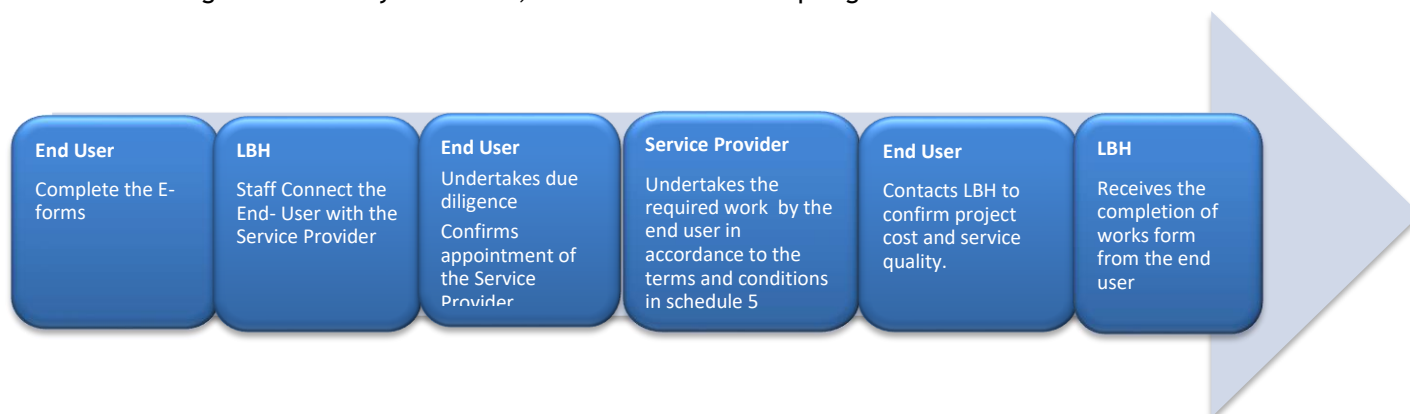4   Stock Condition Survey Framework (SCS)

5.3 The framework is quick and easy to use, legally compliant and includes numerous suppliers. It will help speed up your response time and give you peace of mind.

5.4 The works available include:
- Certification of works such as EPC and DEC
- Energy Audits - Carbon Profiling
- Improvement of works - M.E.E.S Compliance
- Service provider works:
  - Solar PV
  - LED
  - Boilers controls
  - Air Handling Units upgrade (AHU)

- Heat Pumps such as ASHP and GSHP
- Storage batteries
- Associated works etc

5.5 The streamlined process is in two stages. Stage One begins with you completing the online access and order form at www.hounslow.gov.uk/hounslowepc. In Stage Two, a Hounslow officer will contact you with the Ts&Cs, a Completion of Works Form and a list of service providers, either for direct award or for you to run a mini-competition. LB Hounslow has designed this with you in mind, so let's take ownership together and make it work for all of us.

End User	LBH	End User	Service Provider	End User	LBH
Complete the E-forms	Staff Connect the End- User with the Service Provider	Undertakes due diligence Confirms appointment of the Service Provider	Undertakes the required work by the end user in accordance to the terms and conditions in schedule 5	Contacts LBH to confirm project cost and service quality.	Receives the completion of works form from the end user

Q1:   How much does it cost?
A1:   There's no cost – the framework is free to use. All the details are in the Ts&Cs: the access form is the access to the framework. The framework can be use by any public sector body, private or individua: the rebate to LBH is in schedule 5. You should fill in the completion of works form after the project is done and email back to LBH stating the total cost and the rebate to LBH.

Q2:   How many service providers do you have?
A2:   There are 29 in total. Each lot has specific providers.

Q3:   What protection is there? A previous DEC company we used went bust.
A3:   Hounslow have done due diligence in line with their procurement procedure and OJEU. Within the framework, there's resolutions for action if this was to happen: the legal requirements are very finely tuned.

6. **LASER Water Framework**
   Matt Hull, LASER

6.1 At LASER, we're developing our 2021 water framework and want to make sure we base this around customer requirements.

6.2 There have been some improvements since the water market came into place 2017, often things that should have happened a long time ago like water portals. Ancillary services like leak detection and repair, and AMR meters are also being offered, and further options for service customisation, recognising that the needs of a council and an SME will differ. Mini tenders have also become important: you have to stipulate everything required or the water retailers will default to a minimum level. A reduced risk premium also helps to keep costs low.

6.3 Issues we're typically seeing in the market are a decrease in the default level of service and adverse Ts&Cs (eg 1% interest per day on late payment terms): we think the market is trying to take advantage of customers and we're working to stamp this out. Retailers are reluctant to take risks – especially with Covid – and are being far more selective on customer recruitment.
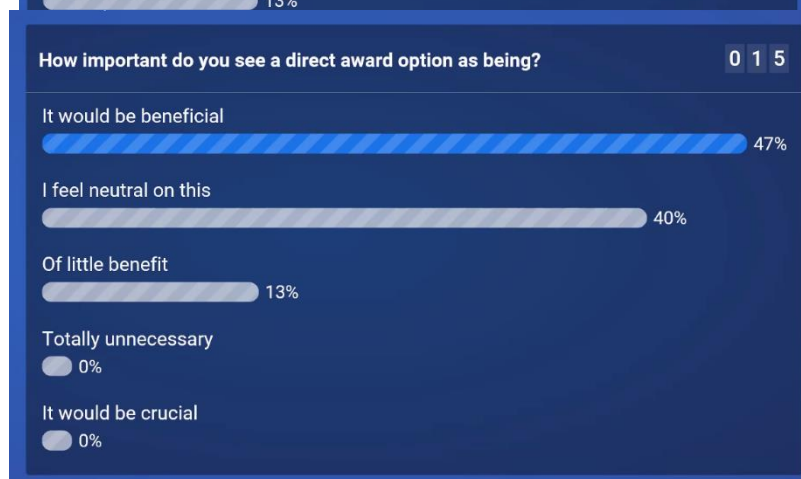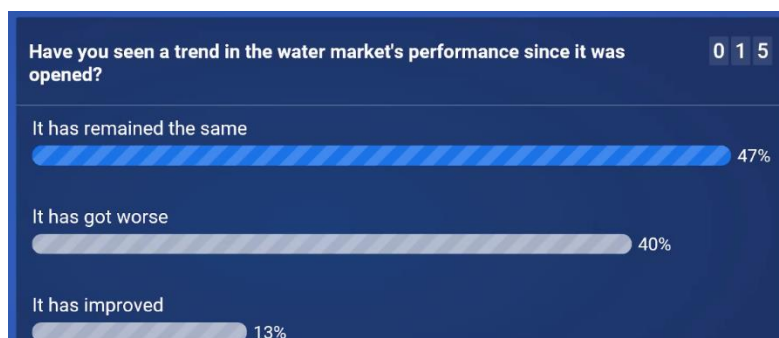
6.4 On the upside, wholesale costs have dropped and now account for around 85% of the total water bill average. Retail costs remain at 4.5% which means the retail margin now a lot higher (around 10.5%, compared to around 2.5% pre-April 2020). There should be opportunities to squeeze them more on this and save money on your water bills. That said, Covid has had an impact: some retailers struggling financially as some of their SME customers have gone bust. They have to pay the wholesaler in advance so they're playing safe to prepare for a turn-down in business.
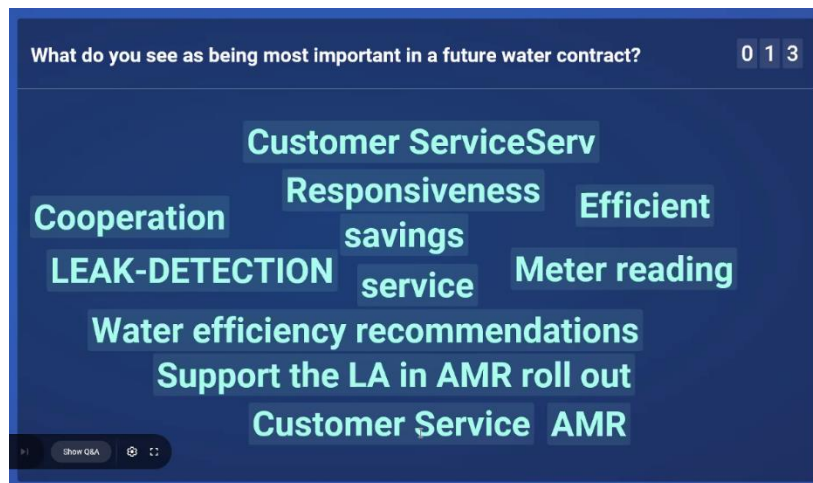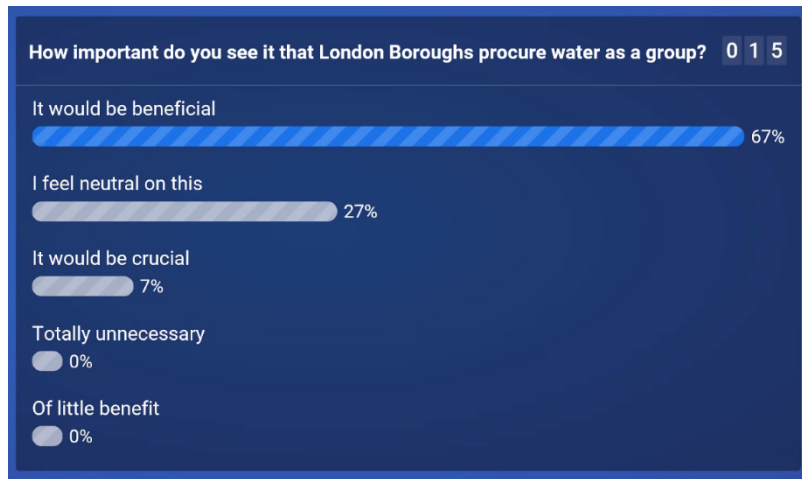
6.5 The LASER Water Framework started in April 2017, and after nearly 4 years we're looking to re-new and innovate. We currently have 5 retailers, 37 local authorities and around a £19m spend/year. We're going to extend the existing framework for another 12 months (to April 2022) to give us more time to build the new framework going forwards. Our current thinking is that this will include:

- Standardised terms and conditions of supply, allowing us to stamp out some of the bad practice we're seeing.

- Direct award option, giving greater certainty and faster switching. Mini tender is still best if you spend over £100k/year, but direct award tends to be better for smaller customers such as academies.

- Customer access to market innovation such as efficiency services and wider capabilities regarding customer service.

6.6 I also want to re-emphasise the importance of data provision. Your water supplier should be doing a lot of the leg work for you, for example on leak detection. Do get your bills validated (even if it's not through us). AMR meters are really fantastic if you can get them.

6.7 Matt then conducted a quick, live online survey with LBEG members, the results of which are below. Matt is also very happy for LBEG to contact him directly to discuss the water framework further at matt.hull@laserenergy.org.uk.

How important do you see it that London Boroughs procure water as a group? `0` `1` `5`

It would be beneficial — 67%
I feel neutral on this — 27%
It would be crucial — 7%
Totally unnecessary — 0%
Of little benefit — 0%

What do you see as being most important in a future water contract? `0` `1` `3`

Customer ServiceServ
Responsiveness
Cooperation · savings · Efficient
LEAK-DETECTION · service · Meter reading
Water efficiency recommendations
Support the LA in AMR roll out
Customer Service · AMR

Q1: What's the wholesale cost for water in the south-east?
A1: I'm not sure – I think it's about 85%. It's fairly average. I can find out if you'd like me to

Q2: How can we distinguish between supplier margin and supplier uplift just by looking at the invoices?
A2: On a default contract they'll blend them (they don't want you to know!). But if you're on a negotiated contract you can stipulate they split it out.

Q3: Can the LASER water framework be used for residential stock?
A3: No, the domestic market how not yet opened to competition so we can't offer it yet. However, if you're using the framework for commercial services linked to housing it can go through the framework: if it needs a SPID then it's eligible for the framework.

Comment: Not all housing associations know where their water supply is. It very problematic: information on location of meters can be awful. There were also data transfer issues from Thames Water in 2017, which again highlights the benefit of checking data. Consistency in billing is crucial: the water company needs to migrate as much information as possible when you switch supplier (eg account numbers, etc): having incorrect EDIs was a nightmare