

Community Energy Saving Programme (CESP) 2009-2012 Generator and Supplier Guidance - Consultation

A response from the Federation of Groundwork Trusts

About Groundwork

Groundwork is an environmental regeneration charity, supporting communities in need. We work with partners to help improve the quality of people's lives, their prospects and potential and the places where they live, work and play.

Our vision is of a society of sustainable communities which are vibrant, healthy and safe, which respect the local and global environment and where individuals and enterprise prosper.

Our Trusts operate in over 90% of the most deprived communities in England and Wales, and we deliver a range of home energy efficiency programmes and projects with the aim of tackling both carbon emissions and fuel poverty.

Our experience of delivering these projects has shown that to achieve maximum benefit and long term impact, technical advice must be combined with support for individual needs and community development expertise.

Groundwork's 'Green Doctors', for example, visit homes in deprived wards to install energy efficient measures free of charge and give residents advice on saving energy and reducing fuel bills.

Householders targeted by fuel poverty projects are difficult to reach, and persistent attempts to eradicate fuel poverty have had relatively low impacts. Green Doctors help overcome this by addressing educational and behavioural aspects as well as technological solutions. Investing the time to talk to people in their own home means they can provide tailored advice, and 'trouble shoot' problems such as a lack of understanding about how to control heating systems, or fitting low energy light bulbs for elderly residents who might not be able to do this themselves.

Green Doctors also serve as a referral point for other agencies and services available to low income households, both energy and non-energy related.

The Green Doctor programme began in Leicester where it has proved extremely popular, and saved householders nearly £10,000 in fuel bill savings in just 3 years. It has been calculated that if this programme were to be rolled out across the whole of the UK, this approach could achieve a 13% reduction in household CO2 emissions.

General Comments

1. Community Partnerships

The government has stated that the CESP should be delivered through community-based partnerships (see DECC/CLG *CESP Consultation Response and Analysis*¹). We are therefore very concerned that Ofgem's Guidance has no reference to this approach.

DECC/CLG state that "Respondents welcomed the proposed community partnership approach believing that this is the best way to mobilise communities and in doing so, make energy efficiency a part of everyday life. This will play a vital role in achieving our commitment to reduce green house gas emissions".

¹http://www.decc.gov.uk/Media/viewfile.ashx?FilePath=Consultations\CESP\1_20090710114123_e_@@_CESPGovtresponseJuly09.pdf&filetype=4

Although the decision has been taken to 'retain the proposed flexibility to allow for the development of different forms of community partnership working', and not to be overly prescriptive, there is still a need for Ofgem to provide guidance in this area.

For example, CLG and DECC made a commitment 'to consider the potential for promoting and facilitating effective working relationships under CESP', and this could be incorporated within Ofgem's guidance.

Without this guidance, there is a danger that in practice there may be little difference between the CESP and the 'top-down' approach of a conventional CERT scheme, and there will be a failure to realise the benefits of community partnership working that the government wishes to see.

Groundwork Trusts are currently working with community groups in several areas to enable them to engage with the CESP process and shape the delivery of CESP in their neighbourhoods. They are also seeking to help co-ordinate the delivery of CESP with existing initiatives to achieve joined-up solutions to the problems that disadvantaged communities face.

2. Home Energy Advice

5.11. Question 3: We welcome views on what type of information stakeholders would like to see in the assessment of the effectiveness of CESP.

We are pleased to see that Home Energy Advice is an eligible part of CESP. Groundwork has extensive experience of delivering home-based energy advice through the Green Doctor project.ⁱⁱ Our experience tells us that in disadvantaged communities such as those in which CESP is likely to operate, particular attention needs to be paid to the needs of consumers who are vulnerable and who have special needs. Equal Opportunities and Diversity also need to be addressed. Ofgem should consider recommending that suppliers/generators and their sub-contractors provide training for Advisors in these areas, and also consider monitoring a sample of CESP beneficiaries to ensure satisfaction levels and quality of delivery.

Re: 5.21 c) No more than 1 per cent of a generator's or a supplier's obligation is achieved through the provision of the home energy advice package.

We are concerned that the amount of CESP obligation that can be met through HEA has been limited to a maximum of 1% and that HEA can only be provided at the explicit request of the householder. We understand that the CESP needs to maximise the take-up of innovative technologies such as solid wall insulation and micro-generation. However we do question whether this limitation will lead to the rationing of HEA within CESP, and also that vulnerable householders may not benefit from valuable HEA provision.

Research for the Energy Efficiency Partnership for Homesⁱⁱⁱ found that as a result of energy conscious behaviours adopted by households following HEA, emissions reductions of 0.494 tonnes per household were achieved. Our own experience of delivering the Green Doctor project confirms this. We therefore believe that local CESP delivery partnerships should be able to include offers of HEA to every participating household, and that the 1% figure may need to be at least doubled.

Energywatch's Allan Asher told the 2008 EEPH Energy Advice Conference that HEA needs to be offered together with advice on benefits and debt relief in order to effectively tackle fuel poverty. Groundwork's Green Doctor projects have links with local agencies that can help to achieve this.

ⁱⁱ <http://www.groundwork.org.uk/news/detail/index.asp?id=29&npage=3&archive=1>

ⁱⁱⁱ <http://www.eeph.org.uk/Publication-Download/?oid=537857&aid=1878990>

3. Area-based approach

We welcome an area-based approach to the delivery of CESP. There are many successful examples of area-based schemes and an area-based approach is consistent with a community partnership approach.

4. Job creation

One of the key aims of the UK Low Carbon Transition Plan is the creation of green jobs.^{IV} The CESP is being delivered in areas of high worklessness and therefore creates a unique opportunity for joined-up working. Worklessness itself is a major contributor to fuel poverty. We appreciate that tackling worklessness is not part of Ofgem's remit, however suppliers and generators should be encouraged to achieve local spend as much as possible in order to create a local multiplier effect. There are a number of successful examples of energy efficiency schemes favouring local employment while complying with procurement rules. This can create a win-win situation for communities benefiting from CESP.

Tackling worklessness is one of our main areas of activity, and we have recently been awarded substantial funding from the DWP's Future Jobs Fund to create training and job opportunities.^V In many proposed CESP delivery areas, Groundwork Trusts will be supporting local unemployed people who could be trained for such tasks as surveying, installing installation (loft, cavity wall, solid wall), draughtproofing, and small scale renewables such as solar hot water. Further opportunities will exist for home energy advice through Green Doctor type schemes. Aligning Future Jobs Funding with CESP funding in this way would represent excellent value for money.

For further information please contact

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^{IV} http://www.decc.gov.uk/en/content/cms/publications/lc_trans_plan/lc_trans_plan.aspx

^V <http://www.groundwork.org.uk/news/detail/index.asp?id=129>