SESSION 2: RUNNING EFFECTIVE PROJECTS

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NATHAN WALKER MIDLANDS NET ZERO HUB

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Private Rented Sector
Compliance and
Enforcement Project
2021-2023







Agenda

- Background
- Timeline
- Competition Summary
- Summary of Findings
- Lessons Learnt
- Q&A

Private Rented Sector: Existing Regulations

Background

- The Private Rented Sector (PRS) accounts for 4.6 million or 19% of households in England.
- The PRS has experienced significant growth in the last ten years, overtaking the social rented sector as the second largest housing sector in 2012-13. Since then, the sector has continued to grow.
- As of April 2020, privately rented homes must meet a minimum standard of EPC Band E before they can be let, unless a valid exemption applies.
- Enforcement of the Regulations is carried out by Local Authorities.
- The Regulations apply to all assured tenancies, regulated tenancies and domestic agricultural tenancies.
- As of 2020, 90,000 PRS homes are still in Bands F & G, out of 290,000 homes originally in scope.
- Since the introduction of the Regulations:
 - Properties in the PRS have risen 5 Standard Assessment Procedure (SAP) points on average.
 - Households have saved an average of £120 per year in fuel costs. As this is based on 2012 prices, the estimated energy bill saving in today's prices could be more



PRS Enforcement Project Timeline

Pilot 1: 2018 - 2019

- Covered domestic and nondomestic rented properties
- Discovery project to develop a best practice enforcement toolkit
- Provided £1m to seven authorities across England with large pools of sub-standard properties
- Explored authority generated solution to streamline enforcement process

Pilot 2: 2020 - 2021

- Only focused on domestic rented properties
- Provided £1.2m to 12 LAs to test and refine the enforcement toolkit
- Provided positive feedback on the toolkit and produced numerous constructiv e suggestions on how the content can be further improved



PRS Enforcement Competition – Summary

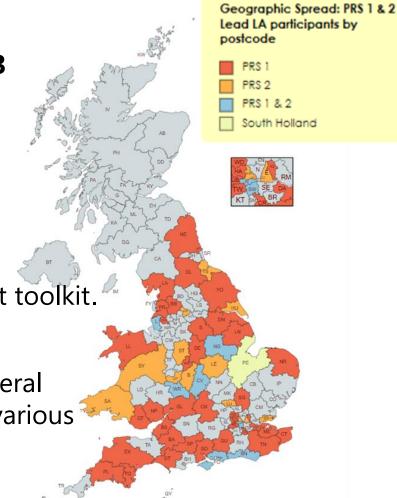
The funding competition ran between August 2021 – March 2023

- In total 109 local authorities were selected to take part
- We provided £8.4m towards carrying out effective enforcement

The project focused on domestic private rented properties only.

Each local authority had access to the draft best practice enforcement toolkit.

Local authorities reported back to the Midlands Net Zero Hub on several Key Performance Indicators (KPIs) as well as qualitative feedback on various aspects of the project.





Summary of Findings

A total of 367,184 properties were identified as Private Rented Sector properties over the course of the two schemes:

- 50,520 (13.8%) of these properties were found to be non-compliant with the Minimum Energy Efficiency Standard (MEES)
- Of the properties identified 9,452 properties were improved in the timeframe of the competition

217,292 stakeholders were engaged during the competitions:

- 1 in 5 landlords were not aware of MEES in the Private Rented Sector
- Over 2 in 5 (44%) were aware of MEES but claimed to not fully understand them or their responsibilities as landlords



Lessons Learnt

- Around half of local authorities reported issues with recruitment hindering their efforts to enforce
- 68% had issues around data cleansing and 53% reported experiencing issues surrounding out of date data
- 61% reported issues with understanding the legislation
- Local Authorities stated that they would like support in enforcing the MEES regulations
- There is a need for a centralised database for England to support LAs enforcement activities,
 particularly in identifying PRS properties



Next Steps

- Toolkit: The current draft copy has received positive feedback however it is still in the draft stage and will be shared with LAs in due course.
- Team is analysing lessons learnt from the competition which will feed into our wider enforcement trajectory.
- local authorities highlighted a centralised enforcement database would be helpful which we are considering.



Enforcement Toolkit

An interactive resource to help local authorities drive compliance and enforce the 2020 'Minimum Level of Energy Efficiency' standard (EPC band E).

- Introduction
- Getting Started
- Communicate and engage
- Compliance and Enforcement
- Supporting resources

Contact <u>prsregistersupport@energysecurity.gov.uk</u> if you would like access to the draft toolkit



Questions



RUNNING EFFECTIVE PROJECTS: DOMESTIC RETROFIT

CHAIR: ELLEN COOPER-TYDEMAN

PANELLISTS: SARAH BAKER, ARNOUT ANDREWS, OLIVER

ROTHWELL, AND LAUREN CORNS







more in the factor

book & East Lincolnships Causella Factoristique

South and East Lincolnshire Councils Partnership

LAD3 370 homes

SHDF 2.1 £3.6 million 400 homes HUG2

800+ homes

£15.4 million

HUG1 218 homes



When the Home Energy Advice Retrofit Team

LAD 2* 85 homes

LAD 1b 192 homes Local Energy Advice Demonstrator

AECL: Intro and projects

(arnoutiandrews@gmail.com)

"The Housing Estate that time forgot" (MEN)

- AECL is a small consultancy specialising in supporting RP's and LA's in delivering domestic energy projects.
- Most important retrofit project:
 Supporting MNZH members!



NEWS AGENTS P

Energiesprong



Affordable Warmth & Energy Efficiency Team

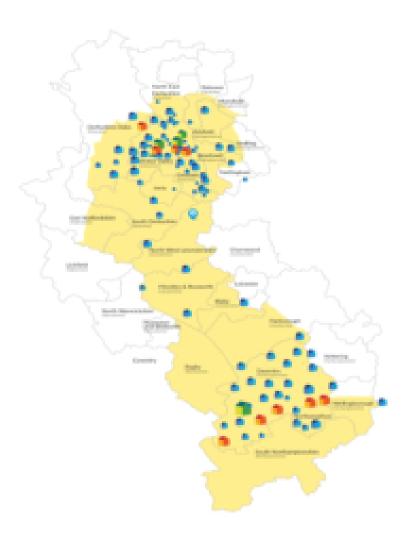
- Dual delivery on HUG2 (DESNZ and MNZH funded) Target 1000+ homes
- 3 Batches approved to date!
- Embarking on major procurement for next phase of works (2 tenders live, 3 forthcoming) 'Grow Local'
- Ambition to boost Monitoring and Evaluation (M&E) of schemes
- Streamlining customer journey to reflect scheme demand
- 360 applications to date tried and tested online process.
- Closedown on 5 partner consortium SHDF Wave 1 scheme 250 properties supported.
- Further embedding with wider Council teams/services



Futures Housing Group

Futures Housing Group

- Over 10,000 homes extending from Derbyshire down to the Daventry area.
- Strategic commitment for all our homes to achieve EPC D by 2025 and EPC C by 2030.
- 44% of our stock is below EPC C, including 427 homes which are EPC E.
- Experience of energy retrofit via LAD, ECO3 and SHDF schemes.
- SHDF Wave 1 project 73 properties originally and secured extra funding for an additional 91 properties. Range of measures including EWI, CWI, Solar PV, Loft Insulation, Windows and Draught Proofing.





ALEJANDRO GARCIA MIDLANDS NET ZERO HUB



Public Sector Decarbonisation Scheme (PSDS)

An overview of the Guildhall project in West Lindsey for PSDS Phase 3B

Alejandro Garcia

Principal Low Carbon Heat Projects Officer



Content

- PSDS highlights
- MNZH approach
- Site Overview
- Challenges
- Solutions
- Strengths
- Project outcome
- Lessons learnt







PSDS highlights



PSDS focused on heat decarbonisation

Direct carbon savings



Indirect carbon savings



Carbon Cost Threshold

£325 tCO₂eLT $\geq \frac{[(\pounds)\text{Full capital cost of bundle}] - [(\pounds)\text{ Applicant contribution}]}{\text{Total direct carbon emissions saved over the lifetime of the project (tCO₂eLT)}}$

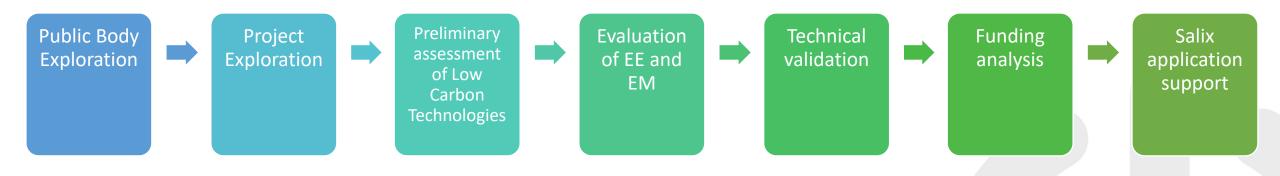
- *58% cap for ICS measures and other EMM
- *Match funding: 12% of total project cost/ cost of like-for-like heating system replacement
- * Sector Caps: Health, Education, and Other







MNZH support



- Directory
- MNZH Regional teams
- MNZH website
- Webinars & events
- Local government association

- EOI
- Kick-off meeting
- Information and data request
- Sufficient information and meet the essential eligibility criteria? SF1

- Ongen Expert assessment — Potential feasible LCET
- Any major restrictions?SF2

- Energy audit –SF3
- Site visit
- Public Body resources

- Manufacturer assessment
- External consultants
- In-house validation
- DNO engagement

- CCT analysis-SF4
- Public body financial capacity
- Project elements appraisal

- Evidence gathering
- Evidence developme nt
- Project planning support
- Support with application





Environment and Sustainability

Site overview



- Guildhall. The head office of West Lindsey Council
- Building characteristics:
 - 14 year old building
 - Electricity consumption around 300,000 kWh/year
 - Heat consumption around 260,000 kWh by a gas-fired boiler
 - Masonry cavity wall with a steel framed flat roof
 - Overhang shading above the windows combined with solar reflective coatings
 - Solar PV array was set on the rooftop







Challenges











Gathering data: Obtaining the actual gas usage data was challenging.

Desktop feasibility analysis. Ongen Expert tool requires very detailed energy consumption data (HH data) for reliable technology sizing. Unfortunately, this detailed data was not available.



Concerns about heat pump compatibility with existing pipework and emitters arose during the onsite visit. DNO capacity was also a concern due to the proposed ASHP size **Solar PV extension:**

Concerns regarding optimal rooftop utilization for implementing this technology were raised.

Business case development: Time

constraint was the main challenge in creating a comprehensive case meeting Salix's mandatory requirements.

Application. Time constraint was a significant factor. Ensured accuracy of evidence and information due to multiple updates. Concerned about portal closure.





The solutions



Gathering data: Thanks to the internal teamwork at West Lindsey, the correct gas data was shared.



Desktop feasibility analysis. Due to limited information, hours of building operation were used to create a HH consumption profile to size a reliable ASHP using Ongen tool



Onsite feasibility. Bosch assessed the compatibility of building aspects, confirming the proposed heat pump's compatibility and feasibility. Provided specifications as well



Solar PV extension. A visit to the site was helpful to determine the area available for the Solar PV extension.



Business case development. Templates, reports and summaries were created to facilitate the development of the required information by Salix.



Application. Live support was provided during the completion of the application

The strengths



Good engagement from the local authority and relevant stakeholders from the beginning to the end.



Ongen assessment helped to identify the potential of ASHP to substitute the current boiler as a low-carbon heat solution



The existing boiler was older than 10 years



No restrictions in terms of area for development and good thermal insulation already in place



Project outcome



Timeframe from first contact to submission: May to October



Decarbonising technologies:



£317,000 project value



42 tCO2e saved every year



Almost £39,000 of match funding

225kW Air Source Heat Pump

15 kWp Solar PV system array extension

Lessons learnt



Quality of data. The more detailed the data, the greater the precision in estimating the size of the technology.



Site visit. Your perspective of the building can change drastically when visiting the site.



Technology compatibility. Otherwise, the project may run a great risk of a substantial increase in cost or unfeasibility.



Stakeholder engagement in early stages. Examples include building managers, financial teams, maintenance teams, technology experts, grant program officers, etc.



DNO engagement. DNO contact is key to ensure project feasibility when Heat Pumps and Solar PV techs are involved.



Decision-makers, such as authorising official, need to be involved in the project to know the eligibility criteria and financial implications at

the earliest opportunity.

Project awareness.

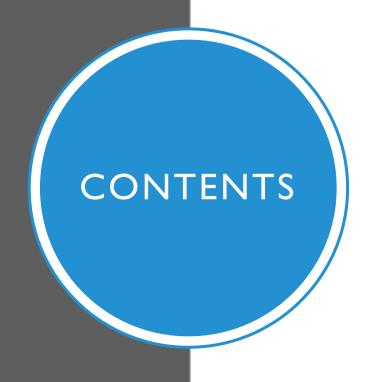
THANK YOU!

ED JESSAMINE FLEXGEN



PORTWAY COMMUNITY ENERGY HUB





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PROJECT OVERVIEW





Project Leads:

Portway Community Rugby

Project Location:

Portway, M42 South Birmingham

Project Objective:

- Identify if Birmingham and Solihull Rugby Club can become:
 - Self-sufficient in meeting its energy needs.
 - Generate revenue to support the long-term future of the club.

KEY CHALLENGES



UNDERSTANDING & ADAPTING

- Existing local Grid Constraints
- Local planning limitations and challenges
- Community concerns

MARKET KNOWLEDGE

- Technology opportunities/ limitations
- Vision Opportunity drivers
- People

FINANCIAL ACUMEN

- Defined Budgets
- Modelling differing revenue streams
- Investor Appetite / Funding

DEVELOPMENT STRATEGY

- Defined project plans
- Project Agility
 - Anticipating Outcomes
 - Managing Risk
 - Plan B

EXPERIENCE

- Got the T shirt
- Preventing project inertia
- Increasing odds of success

GOOD PARTNERS

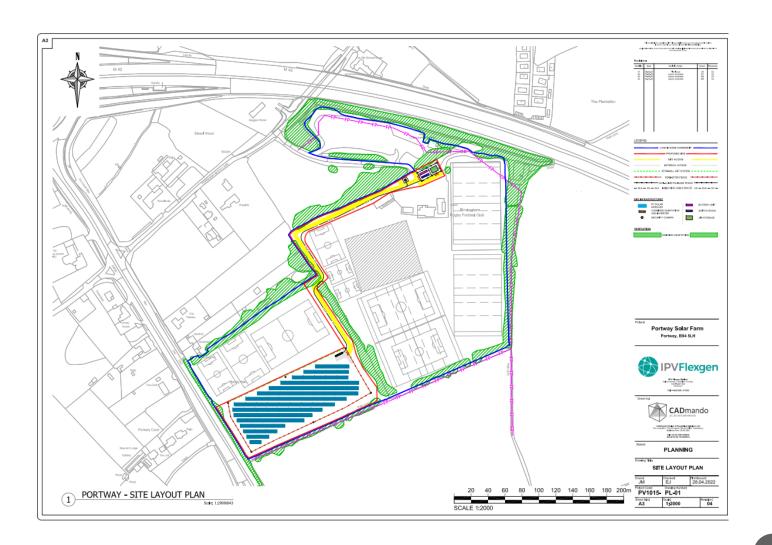
- Funder/ Landowner
- Community
- Supplier



PROJECT PROPOSAL



Main Grid Connection		
Incoming Grid	195 kW	
Secure Grid Export Capacity	800 kW	
Private Generation and Ancillary Services		
Ground Mounted Solar PV	1.5 MW	
Li-Ion Battery	50 kW	
Compressed Air Storage system	150 kW	
Ultra rapid / Rapid EV Charging Units		
Energy Management System		



SUCCESS SO FAR





- Secured feasibility funding from RCEF
- Secured affordable import / export Grid connection with a near term connection date (2024)
- Positive Preapplication response for the project received
- Positive support for the project from the local community
- Positive financial modelling demonstrating project viability
- Clear project plan and strong delivery partners aligned

PROJECT STATUS



September 2022

Planning preapp response received.

December 2023

Submission of planning applications.

May 2023

Pre-Commencement works & surveys

October 2024

Target connection to grid.















Sept - Oct 2023

Planning application development.

March 2023

Review planning decision.

July 2024

Potential site build start.

LESSONS LEARNED



- Access to feasibility funding is key:
 - Buys expertise
 - Reduces individual risk
 - Galvanises enthusiasm
 - Focusses attention
 - Creates structure and accountability
 - Uncovers opportunity



BREAK UNTIL 3:15PM

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