



HOME



BUSINESS

South West Carbon Action Network

28th February 2013



Roy Wallington

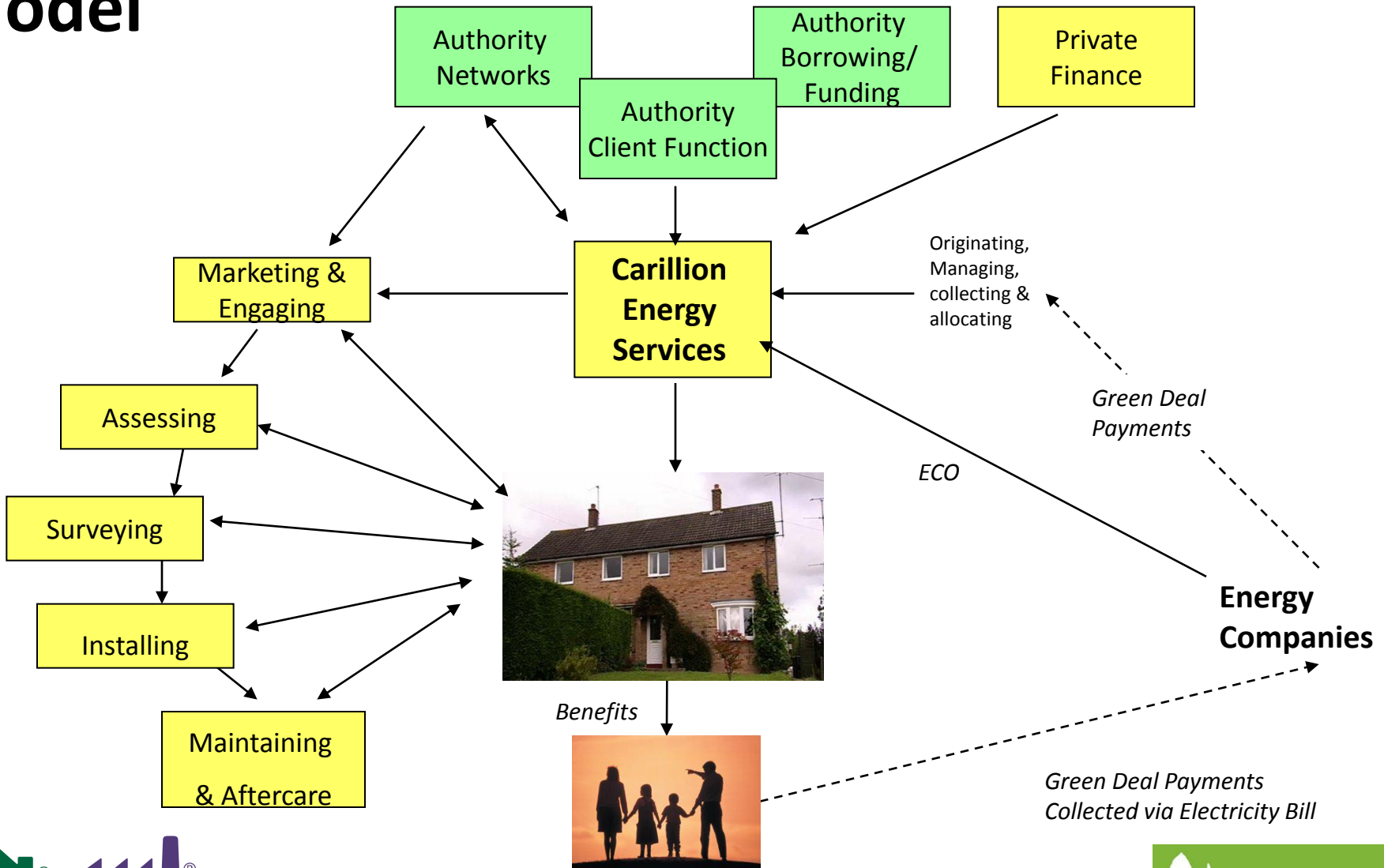
Relationship Director
Carillion Energy Services

- **An update on Birmingham Energy Savers Green Deal and ECO activity to date**
- **Key aspects of the partnership model**
- **Status of other Authorities in the Midlands**

Birmingham Energy Savers

- A partnership for 8 years worth up to £600m
- Carillion borrow the local authority name and share their contacts
- Multi Tenure: owner occupiers, private and social tenants, non-domestic properties
- ECO expected to fund half of turnover
- Community focused; working with local suppliers

The Energy Saver Partnership Model



And why Carillion?

- We bring considerable experience in engagement and works delivery and we do not sell energy
- We will help with improved outcomes:
 - Health and wellbeing
 - Disposable household income
 - Educational attainment
- We recognise how powerful the local authority brand and networks are and work to protect and enhance them
- We do social and economic regeneration:
 - Engaging with the most vulnerable: most likely to be in fuel poverty
 - Working together to deliver jobs and training where they are needed
 - supporting the growth of enterprise



Required Outcomes (for Birmingham) by 2015

1. 12,000 fuel poor households benefiting
2. Annual fuel spend down by £15m
3. Annual CO₂ emissions reduced by 18ktonnes
4. 150 SMEs assisted to participate
5. 300 new Jobs
6. £160m of GD & ECO investment in the city
7. Over 80% of spend kept local via SME & micro business
8. Active client function and reporting arrangements that match localised governance
9. Landlord and health trusts actively involved

Progress so far...

Partnership Agreement signed 27th November 2012

- Contact Centre
 - Contact centre opened on 5th December 2012
 - 1472 inbound calls
 - 1531 outbound calls
- Key statistics
 - 60% conversion rate from leads to surveys
 - As at 15th Feb:
 - 378 Assessments booked
 - 220 Assessments completed
 - 33% of surveys completed indicated suitability for ECO/Affordable warmth programmes

BES Progress so far...

Supply chain:

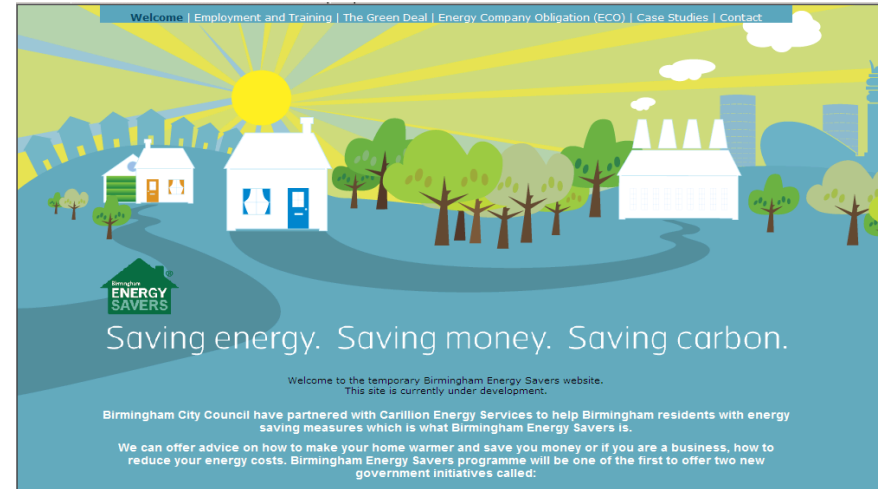
- Heating Installations: 10 local installers appointed
- External wall Installations: 2 local installers appointed to deliver Go Early works
- Green Deal Assessors: 2 local Organisations appointed
- Green Deal Careers Plan: 1 local provider appointed
- Community Engagement Lead Generation: 2 local providers appointed

Jobs and training

- 38 new starters by mid January
- 10 Carillion employed Green Deal Assessors have completed DEA/GDA training
- 138 person hours of pre-employment training provided

Marketing & Our Customers

- Website set up
- Marketing collateral in place
- 40+ community groups engaged
- Over 1100 people engaged including:
 - Tower block residents
 - Starbank Small Heath parents
 - Church of God of prophecy Acocks Green congregation
 - Weoley Castle Community Church,
 - Balsall Heath neighbourhood wardens ,
 - Crossover outreach event at Anthony Road Children’s Centre



‘Making sure that we give Customers a great experience as they go on their journey with us is absolutely crucial to our success.’ Jamie Macdonald, Customer Experience Director, CES



Other key activities..

- £36m of ECO funded projects begun or in planning and to be completed in 2013
- ECO Affordable Warmth is proving to be popular
- Ward/Parish level reporting portal under development
- District Energy – Communal Health and Biomass projects (briefing pack can be shared in due course)
- Inter-Authority collaborative tools being explored

The Developing Proposal, 1

- Sustainable economic benefits derive from a longer term partnership that supports a consistent supply chain linked to dynamic ECO brokerage AND Green Deal delivery (to maximise ECO)
 - Green Deal & ECO work “hand in glove”
- ECO funders are keen to fund but only on their terms
 - We work with all six and currently disperse funds from three (inc BG), to good effect
 - Best deal is very much project dependant not funder determined

The Developing Proposal, 2

- The role of client is key; they empower the use of the local authority brand, facilitate access to networks & open access to grants
 - A CIC or relevant special interest company (or the LEP) could fulfil this role for multi-authority partnerships – either as the “brain” or the “heart” of the partnership
- The BES model contains "producer elements" as CES pay a finder fee to community organisations and other referrers, however the value of the referral lies in the quality of the referral
 - Trusted organisations are key... both as promoters, as advocates and as champions

The Developing Proposal, 3

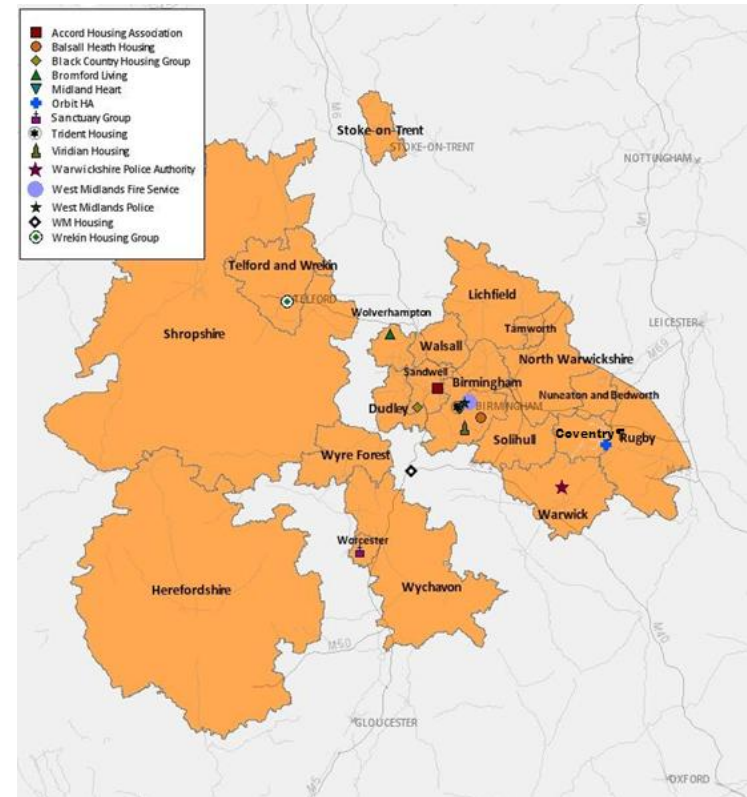
- Fuel poverty in rural areas will require a proactive partnership
 - e.g. CES and a local energy action advocate working with parish councils to develop village based neighbourhood energy schemes. This will not happen if simply left to the ECO market
- local representatives – parish and county councillors - and advocate organisations are vital to building trust and will grow in confidence
 - they are part of a positive feedback loop based on reporting portal
 - Good practice and knowledge are quickly shared

The Developing Proposal, 4




- local suppliers are also a vital part of the engagement process and will only refer if they are guaranteed a place in the supply chain
 - A referral fee is not needed to incentivise them; exclusion from carrying out the work by un-targeted engagement could set them against the Green Deal
- Non-domestic Green Deal (e.g. schools) provides a valuable mechanism for unlocking capital programmes and provides a way-in to the community
 - The manageable cash flow that these works brings also helps to ensure continuity for the supply chain and there for training & development
 - Academy schools pick up the revenue cost of capital invested as they pay the bills

The Contacting Authority Opportunity

- BES OJU included 40 Contacting Authorities:
 - 26 Local Authorities
 - 11 Registered Social Landlords (Housing Associations)
 - 3 “Blue Light” organisations: police and fire
- OJU value over 8 years = £928m
 - Domestic = £720m
 - Non-dom = £208m
- We negotiate with them, if they want us to, to become their GD delivery partner



Front Runners

- Telford & Wrekin have chosen us 
- Shropshire, Herefordshire, Sandwell and Wolverhampton Councils favour us and are about to make a final decision 
- Worcestershire, Bromsgrove, Redditch, Worcester, Wychavon, Wyre Forest, North Warwickshire, Solihull and Dudley Councils plus Accord Housing Association favour us BUT are still looking at other options
- The rest are not yet sure... 

Thank you



roy.wallington@carillionplc.com