

# Renewable Power for London **Action Plan**

# London boroughs climate change action plan: Renewable Power for London

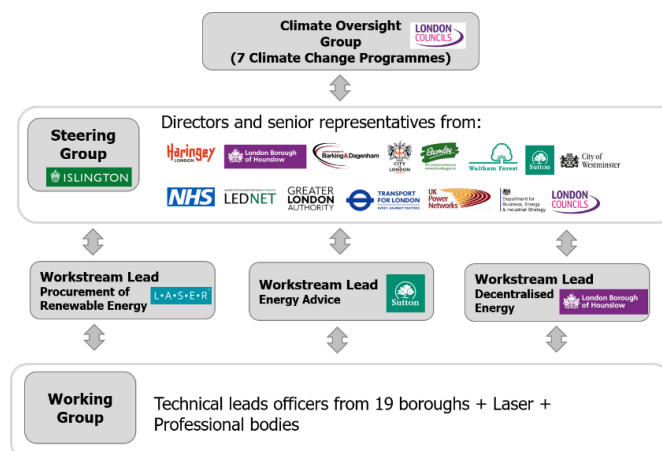
## 1. Executive Summary

In November 2019, LEDNet<sup>1</sup> and the Transport and Environment Committee (TEC) came together to discuss key climate change issues facing boroughs, and how they could work together to address them. The result was an ambitious [Joint Statement on Climate Change<sup>2</sup>](#). The statement made a commitment to “act ambitiously to meet the climate challenge that the science sets out and find political and practical solutions to delivering carbon reductions that also secure the wellbeing of Londoners.” It also sets out boroughs approach to governance, citizen engagement and resourcing for climate change, as well as seven major programmes for cross-borough working. In 2020, TEC endorsed a lead borough or boroughs for each of these programmes, Purpose, Ambition, Work streams, Vision and Objectives.

Renewable Power for London is the fourth of the seven programmes, and this initial action plan explains the programmes ambition, vision, objectives, and activities over the next two years and with a longer-term commitment to deliver this programme, in collaboration, up until 2030 and beyond. The purpose of this action plan is to achieve the ambition, to **secure 100% renewable power for the public sector in London.**

### 1.1 Governance

To develop the action plan, a collaborative governance model was established including the creation of a director or assistant director led borough and public sector partners **Steering Board** alongside a **Working Group** of technical and operational practitioners including professional bodies. The RP4L programme alongside the other six programmes reports into the London Councils’ led Climate Oversight Group. See programme governance diagram below:



<sup>1</sup>London Environment Directors' Network (LEDNet) is the membership association for London’s Environment Directors. We work together to deliver more effective and efficient environmental services, as a key component of place shaping.

<sup>2</sup> <https://www.londoncouncils.gov.uk/node/36755>

The scope and action plan were developed through:

- A programme workshop held in August 2021,
- RP4L Steering Board meetings
- RP4L Working Groups

The workshop and meetings comprised of representatives from London Boroughs, London Councils, LEDNet, LBEG, ALEO, GLA, UKPN, BEIS, Laser, SE<sup>2</sup> and Turner & Townsend. As the scope of the programme evolved, it became apparent that there were three objectives or work streams that would support the achievement of the ambition. Broadly, these work streams related to professional interests and technical specialists amongst participants in the programme.

## 1.2 Decentralised energy projects

This work stream incorporates opportunities relating to district heating and power networks. It became apparent that many local authorities had delivered or were planning or considering district heating solutions as part of their environmental, energy or climate change programmes. Many of these are linked with economic development and regeneration programmes using a variety of heat sources. There is an opportunity for the whole capital to learn from the experience, challenges and successes of local authorities as well as consider opportunities for boroughs to explore the feasibility of connecting their networks sub-regionally and collectively consider investment and commercial models to support the ambition. There is also an opportunity to better connect local authorities, the GLA and government departments e.g., BEIS.

Decentralised Energy Vision: Supply renewable power through innovative energy generation and storage projects

Decentralised Energy Objective: To maximise local innovative energy generation and storage projects to meet zero carbon energy demand

## 1.3 Accessing or buying more affordable renewable energy

This work stream incorporates opportunities for local authorities, public sector bodies and procurement organisations to come together to develop an opportunity for the capital to purchase renewable power through a procurement exercise to secure a Power Purchase Agreement, tentatively defined as electricity supplied from UK-based REGO<sup>3</sup>-eligible generation sources, excluding Biomass. One of the key issues for this work stream is how to navigate the complexities of multiple-organisation procurement whilst maximising the benefits of public sector collaboration.

Accessing Affordable Renewable Energy Vision: Buy 100% renewable power in collaboration

Accessing Affordable Renewable Energy Vision Objective: To procure public sector energy for London Public Sector Bodies that is 100% renewable, through collaboration

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<sup>3</sup> Renewable Energy Guarantees of Origin Scheme

## 1.4 Energy Advice (provide advice on renewable tariffs and energy efficiency measures to reduce domestic energy consumption with cost and carbon benefits)

This work stream incorporates opportunities for how local authorities, the GLA and others provide energy and advice and support to residents including those experiencing fuel poverty through general advice, home visits and practical energy efficiency measures, securing supplier discounts and additional measures and supporting fuel debt. The work stream also incorporates how local authorities can enable and influence Londoner's consumer behaviour both in terms of consumption, for example by switching suppliers as well as the potential for local authorities to enter the energy supply market e.g., by working with White Label energy providers.<sup>4</sup>

Energy Advice Vision: Support Londoners to source 100% renewable power, reduce consumption and save money.

Energy Advice Objective: To support and influence residents to reduce energy consumption, move to renewables and save money.

The steering group have adopted this plan and progress will be reported back to London Councils' Transport and Environment Committee (TEC) on at least a six-monthly basis. This plan is designed to support all boroughs to achieve the headline ambition, whilst recognising that requirements and resourcing will vary from borough to borough.

## 2. London boroughs and National Context

### 2.1 London boroughs' action on climate change

Since 2019, 28 London boroughs and the Mayor of London have declared a climate emergency, together with 300 District, County, Unitary & Metropolitan Councils and 8 Combined Authorities/City Regions.

Polling in 2021- showed the vast majority of Londoners (82%) are concerned about climate change. Londoners are not alone in feeling these effects, with the climate shifting across the world bringing increased disasters to all, and particularly the world's most vulnerable including those in London.

The Climate Change Committee has recognised that local authorities 'leadership role in partnerships and with the public places them at the heart of the climate conversation and in developing and replicating local solutions,' and that 'Around a third of the UK's emissions are dependent on sectors that are directly shaped or influenced by local authority practice, policy or partnerships.' As a global city, London has a key responsibility not only to bring emissions down to a sustainable level, but also to develop a model of sustainable living that other cities across the world can learn from.

Climate change action is seen as a key means by which London can recover from the social and economic damage caused by the COVID-19 pandemic. The pandemic has shown the resiliency and adaptability of local authorities and has demonstrated the importance of empowering local authorities to implement solutions that are appropriate to the context of their communities. Disadvantaged communities will be disproportionately impacted by these changes, and health and

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<sup>4</sup> A 'white label' is an organisation that does not hold an energy supply licence, but instead works in partnership with a licensed 'partner supplier' to offer tariffs under the white label brand.

social care will be affected – for example with threats to water supplies through greater risk of drought.

The London Recovery Board, established to oversee London’s recovery from the pandemic and co-chaired by the Chair of London Councils and the Mayor of London, seeks to incorporate such perspectives in its work. The board oversees the work of the London Recovery Taskforce, which is undertaking nine missions (Green New Deal; Robust Safety Net; High Streets for All; New Deal for Young People; Helping Londoners into Good Work; Mental Health and Wellbeing; Digital Access for All; Healthy Food, Healthy Weight; Building Strong Communities). The action plans of London Councils’ climate change programmes will engage with the missions to ensure that work is complementary and does not replicate efforts underway.

## 2.2 National context

At the national level, the Government legislated for the UK to meet net zero carbon emissions by 2050 in 2019, and in 2020, it committed to a milestone of 68% emissions reductions by 2030. Since then, several funding pots have been released including the Public Sector Decarbonisation Fund, Low Carbon Skills Fund, Home Upgrade Grant, Local Authority Delivery Scheme, and the Social Housing Decarbonisation Fund.

In October 2021, BEIS released the Heat and Buildings Strategy, which sets out how the UK will decarbonise homes, commercial, industrial, and public sector buildings, as part of setting a path to net zero by 2050. As well as other consultations and documents including Future support for local carbon heat; Heat Pump Ready innovation programme; Consultation on the introduction of market-based mechanism to support investment and innovation in transforming the consumer proposition on heat pumps.

Energy costs in 2021 have been soaring for both the public sector and residents with 2022 looking to be no different. The Ofgem domestic energy price cap will likely increase again in April 2022, by as much as 30% according to some analysts. The need to move to renewable power in a fair and just way has never been more important.

## 3. Action plan development

### 3.1 October 2020: Islington Council Appointed Lead Borough

LB Islington were appointed as the lead borough for this ambition at the October 2020 TEC meeting. The borough was asked to fulfil this role for at least two years, and to:

- Develop a two-year work plan
- Ensure that appropriate governance structures and resourcing exists to support delivery of the work and action plan
- Oversee the effective delivery of the action plan
- Support advocacy activities that can secure resourcing and a supportive policy framework – at local, regional, and national levels – that supports the aim of the action plan
- Report back to London Councils' TEC on at least a six-monthly basis

### 3.2 June/ July 2021: Working Group and Steering Board Established

A Working Group and Steering Board governance model was decided on and established in the spring of 2021 ([see section 8.1 and 8.2 in the annex](#) for terms of reference- please note this requires updating.)

The Steering Board is made up of Directors/ Associate Directors and its role is to provide advice, endorse and make decisions to enable the delivery of the Renewable Power programme outputs and the achievement of programme outcomes. Keith Townsend (Corporate Director Environment, Islington Council) who is also the Senior Responsible Officer for this programme chairs the Steering Board.

The Working Group is made up of technical lead officers and its role to develop and agree an ambitious and well-supported action plan that outlines how we will deliver the targets set for this programme. At the time of establishment, Ashwin Patel (Senior Energy Advice Officer, Islington Council) chaired it.

An open call out was sent to boroughs through LEDNet, LBEG and ALEO to join the programme as well as direct approaches to boroughs and key partners. The Steering Board held its inaugural meeting in June 2021 and the Working Group in July 2021.

### 3.3 August 2021: Workshop

A workshop to generate ideas towards the action plan was held in August 2021. This consisted of best practice presentations for each of the three work streams and facilitated breakout sessions on interactive white boards to generate ideas under three headings: What we need to know, Actions we need to take and Actions we need others to take. Following this, participants voted on which actions generated were the most to the least important, and the results were fed back to the wider group. The commitment for boroughs to collaborate came through strongly at the workshop.

### 3.4 October 2021: First Action Plan Draft and Work stream Split

Based on the action plan ideas generated at the workshop, a first draft of the action plan was produced. In conjunction with this, based on feedback received, it was decided to split the Working Group along the lines of the three different work streams, and to establish and appoint Work stream Leads. The Leads would work with the technical lead officers, chair working group meetings, feedback on progress to the steering board, act as a sounding board for proposals and challenge everyone to be as ambitious as possible. The Work stream Leads are:

- Keith Townsend (Islington, Corporate Director of Environment), SRO and Chair of RP4L Programme
- Wayne Stephenson (Hounslow, Director of Environment and Climate) and Martin Kerslake (Interim Programme Director Green Recovery and Climate Emergency): Decentralised energy projects, which covers opportunities relating to district heating and power networks
- Nigel Hartnup (Laser, Director of Energy): Accessing or buying more affordable renewable energy
- Jennifer Sibley (Sutton, Assistant Director Environment and Community Safety) with support from Vicki Kwaczynski (Sutton, Environment Projects Officer): Energy Advice (provide advice on renewable tariffs and energy efficiency measures to reduce domestic energy consumption with cost and carbon benefits)

### 3.5 November-December 2021: Further Action Plan Development

A series of Working Group and Steering Board meetings were held to further develop and fine-tune the action plans for approval by the end of the calendar year and this action plan is the output of those sessions.

- W/c 1<sup>st</sup> Nov: Working Group Meetings
- 12<sup>th</sup> Nov: Steering Board Meeting
- W/c 22<sup>nd</sup> Nov: Working Group Meetings
- 15<sup>th</sup> Dec: Steering Board Meeting

## 4. 2022 – 2024 Action Plan

Activities	Milestones	Timeline	Lead	Resourcing
<b>Programme Level: To develop the programme resources to support additional research, borough/stakeholder engagement and develop policy asks</b>				
<i>Secure funding to resource programme through grant funding, borough contributions and in discussion with London Councils (<a href="#">see section 8.3 in annex for further details</a>)</i>	<i>Develop and execute plan</i>	<i>2022 Q1</i>	<i>Islington Council</i>	<i>In house resources</i>
	<i>Secure funding</i>	<i>2022 Q2</i>		
<i>Map interdependencies with other London Councils Programmes (<a href="#">see section 8.4 in annex for further details</a>)</i>	<i>Develop Map</i>	<i>2022 Q1</i>	<i>Members of working groups and chair</i>	<i>In house resources</i>
<i>Run borough engagement event to share best practice and learning across the three work streams</i>	<i>Develop plan for event</i>	<i>2022 Q3</i>	<i>Islington Council</i>	<i>In house resources</i>
	<i>Run event</i>	<i>2022 Q4</i>		
<i>Engage with key stakeholders including with Government departments to promote the programme</i>	<i>Develop Plan</i>	<i>2023 Q1</i>	<i>TBD</i>	<i>TBD</i>
	<i>Execute Plan</i>	<i>From 2023 Q2</i>		
<b>Decentralised Energy: To maximise local innovative energy generation and storage projects to meet zero carbon energy demand</b>				
<i>Assess the current London wide picture of decentralised energy projects and pipeline schemes to inform opportunities and the future programme (<a href="#">see section 8.5 for further details</a>)</i>	<i>Define scope and specification</i>	<i>2022 Q1</i>	<i>Members of working group and chair</i>	<i>£35k</i>
	<i>Commission partner</i>	<i>2022 Q2</i>		
	<i>Finished product</i>	<i>2022 Q3</i>		



<p><i>Publish London wide report on Decentralised Energy opportunities based on a potential sub-regional model to inform funding strategy to develop high-level business cases for investment. (<a href="#">see section 8.6 for further details</a>)</i></p>	<p><i>Define scope of report and specification</i></p>	<p><i>2022 Q4</i></p>	<p><i>Members of working group and chair</i></p>	<p><i>£40k</i></p>
	<p><i>Commission partner to conduct research and produce report including viable funding models</i></p>	<p><i>2022 Q4</i></p>		
	<p><i>Publish and promote report</i></p>	<p><i>2023 Q1</i></p>		
<p><i>Support the feasibility of development of a North London Heat and Power Network with boroughs and North London Waste Authority and Energetik</i></p>	<p><i>Define scope and seek funding sources</i></p>	<p><i>2022 Q1</i></p>	<p><i>North London sub region</i></p>	<p><i>Circa £50k</i></p>
<p><i>Use the ultra-low 5th generation heat network through the <u>GreenSCIES</u><sup>5</sup> project in Islington as a case study for London</i></p>	<p><i>Securing Islington Council's commitment by signing off the business case and relevant documents</i></p>	<p><i>2022 Q3</i></p>	<p><i>GreenSCIES project team</i></p>	<p><i>NA</i></p>
	<p><i>Complete procurement</i></p>	<p><i>2023 Q3</i></p>	<p><i>GreenSCIES project team</i></p>	<p><i>GHNf Transition fund of £150k secured. Possible funding application to LEA.</i></p>
	<p><i>Construct Network</i></p>	<p><i>2025 Q4</i></p>	<p><i>GreenSCIES project team</i></p>	<p><i>TBD- GHNf offers up to 50% capital</i></p>

<sup>5</sup> <https://www.greenscies.com/>

Accessing more affordable renewable energy: To procure public sector energy for London Public Sector Bodies that is 100% renewable, through collaboration				
<i>Assess the current procurement position across the capital including broader public sector family e.g., NHS and establish position on carbon reporting for Renewable Energy Guarantee of Origin certificates (REGO) and Power Purchase Agreements (PPA) (<a href="#">see section 8.7 for further details</a>)</i>	<i>Define scope and specification</i>	2022 Q1	Members of working group and chair	£30k
	<i>Commission partner</i>	2022 Q2		
	<i>Finished product</i>	2022 Q3		
<i>Investigate collaborative routes to market (<a href="#">see section 8.8 for further details</a>)</i>	<i>Agree which collaborative procurement / investment routes to market will be pursued</i>	2022 Q4	Members of working group and chair	£40k
	<i>Produce outline paper summarising the options, including risks, benefits, and commitment requirements</i>	2022 Q4		
<i>Conduct collaborative procurement / investment exercises for renewable power for groups of London authorities (timings may vary for each route to market)</i>	<i>Confirm which authorities are interested (MOU, signed by Section 151 Officer, Leader or Chief Executive) and conduct soft market testing.</i>	2023 Q1	Members of working group and chair	TBD
	<i>Produce business case</i>	2023 Q1		
	<i>Seek commitment from authorities to conduct procurement / investment exercise</i>	2024 Q1		
	<i>Finalise specification and procurement documents including criteria for assessing</i>	2024 Q2		
	<i>Invite suppliers to bid and evaluate to appoint a contractor</i>	2024 Q4		
	<i>Sign Contracts</i>	2025 Q1		
	<i>Power Supply Date (will vary depending on route to market and status of any new generation)</i>	TBC		

<i>Energy Advice Objective: To support and influence residents to reduce energy consumption, move to renewables and save money</i>				
<i>Investigate and evaluate the current energy advice model across the capital with delivery partners, GLA and other stakeholders and publish recommendations <a href="#">(see section 8.9 for further details)</a></i>	<i>Define scope and specification</i>	<i>2022 Q1</i>	<i>Members of working group and chair</i>	<i>£30k</i>
	<i>Commission partner</i>	<i>2022 Q2</i>		
	<i>Finished product</i>	<i>2022 Q3</i>		

## 5. Key issues and risks

### 5.1 Programme level

Risk	Cause	Category	Likelihood (1-5)	Impact (1-5)	Overall risk	Mitigation	Likelihood (1-5)	Impact (1-5)	Mitigated risk
Inability to deliver on the action plan and move the programme forward	Insufficient capacity and resources	Financial	5	5	25	A plan will be developed and executed in 2022 Q1-Q2 to resource programme including asking boroughs to contribute	4	4	16
Inability to deliver on the action plan and move the programme forward	Specialist technical advice and expertise gaps	Technical	4	4	16	Each work stream will need to consider any gaps and propose mitigation measures such as training sessions.	3	3	9
Unable to deliver plan that works for all London boroughs	Insufficient engagement of boroughs	Social	3	4	12	A good mix of boroughs across the political spectrum and geographically across London have been recruited to the steering board and working groups. The buy in of boroughs will need to be maintained.	2	3	6

## 5.2 Decentralised Energy

Risk	Cause	Category	Likelihood (1-5)	Impact (1-5)	Overall risk	Mitigation	Likelihood (1-5)	Impact (1-5)	Mitigated risk
Inability to deliver projects	Lack of funding and funding expertise	Financial	5	5	25	Apply for various sources of funding from central government; seek expertise either internal or external.  Further mitigated if heat networks were classed by government as 'eligible spend' across all funding programmes	4	4	16
Missed funding opportunities	Lack of internal capacity	Financial	4	5	20	Additional skilled resources to be put in place  Further mitigated if independent, long-term, skilled external support is made available (e.g., GLA)	3	4	12
Missed funding opportunities	Complicated funding schemes with tight deadlines for application/delivery	Financial	4	5	20	Develop pre-feasibility studies before funding arises	3	4	12
Inability to deliver projects (social commitment)	Lack of political backing/ local champion / end-user engagement	Social	4	4	16	Stakeholder engagement and education on and belief in the benefits (also possibly a wider pan-London climate narrative piece)	3	3	9
Higher costs of projects	Complexity of delivering works in central London	Technical	4	4	16	Develop robust and compliant procurement strategy to minimise uncertainties during delivery	3	3	9

Inability to maintain operational activity	Lack of technical expertise and access to maintenance systems	Technical	3	4	12	Long term access to independent external expertise and guidance	2	3	6
Inability to deliver projects (technical skills)	Lack of technical expertise	Technical	3	4	12	In house training to develop expertise	2	3	6
Difficulties to deliver projects	Insufficient space for installing new projects	Technical	3	4	12	Tailor-made designs to utilise the space that is available, but this may impact costs	2	3	6
Higher costs of projects	Difficulties in crossing major infrastructure i.e., rail/arterial roads	Technical	4	3	12	Involve all relevant actors in decision-making process i.e., network rail, TfL, utilities etc.	3	2	6
Reduced resilience due to breakdowns	Higher exposure to more people being affected due to a breakdown in communal heating systems	Social /Technical	3	4	12	Back up heating systems, planned maintenance and breakdown contingency plan, and contracts spec designed to design, build & maintain high-quality systems	2	2	4
Ineffective at reducing carbon emissions	Cost of reducing carbon emissions is increasing	Environmental	3	4	12	Comprehensive designs to target the most cost and carbon effective projects	2	3	6
Delayed projects	Lack of engagement with local stakeholders	Social	3	3	9	Regular stakeholder contact	2	2	4
Local stakeholders	Lack of engagement during design process	Social	3	3	9	Regular stakeholder contact	2	2	4

rejecting the project									
Inability to raise community funding	Lack of integration of project with local community	Social/Financial	3	3	9	Comprehensive stakeholder management programme	2	2	4
Air pollution constraints	Limited technology options	Environmental	3	3	9	Involvement with planning in preliminary stages	2	2	4

### 5.3 Accessing or Buying More Affordable Energy

Risk	Cause	Category	Likelihood (1-5)	Impact (1-5)	Overall risk	Mitigation	Likelihood (1-5)	Impact (1-5)	Mitigated risk
Misaligned objectives	There is a risk that a procurement / investment may fail if collaboration partners have materially different objectives	Financial	5	4	20	<p>Clear outputs from data collection stage, report stage and business case stage so that a large a portion of authority requirements as possible can be covered.</p> <p>Regular ongoing communications and briefings with clear commitment parameters prior to any procurement / investment process commencing.</p> <p>Include cost impacts within report stages. Clear 'acceptance' price parameters agreed with bodies prior to procurement commencing</p> <p>Regular ongoing communications and briefings with clear deadlines for bodies participating. Multiple procurement rounds so that it is not a 'one time' opportunity.</p>	3	3	9
Entities withdrawing from process	There is a risk that procurement / investment will fail if one or more bodies exits the contracting process after it has commenced	Financial	5	5	25		2	5	10
Contract costs being too high	There is a risk that a procurement / investment may fail if either transactional costs and / or final supply costs are too high.	Financial	4	4	16		3	3	9
Internal decision-making processes not completing in time	There is a risk that bodies will not be able to participate if they cannot obtain internal approval.	Financial	3	3	9		2	2	4



Delayed projects	There is a risk that delayed procurement / investment / construction could affect delivery times of renewable energy.	Financial / Social	3	3	9	Adhering to plans, having multiple procurement / investment routes to spread risk.	2	3	6
Disagreement on acceptable legal / contract terms	There is a risk that additional costs will be incurred, and procurement may fail if legal terms cannot be agreed.	Legal	4	4	16	Legal considerations included within the reporting stage and contract terms set out before any procurement commences.	3	3	9
Disagreement on acceptable renewable technologies	There is a risk that bodies may not participate in a procurement / investment exercise if commonly acceptable renewable technologies are not agreed.	Financial / Social	2	4	8	Include in reporting stage to provide clear rationale as to what technologies may be considered in any subsequent procurement / investment.	1	2	2
Reputational impact of failed project delivery	Protracted, failed or costly procurement exercises could cause reputational damage to bodies.	Social	2	2	4	Multiple procurement rounds and options reduces the risk and impact of an overall failure.	2	1	2
Changing volumes	Changing electricity volume requirements may mean we obtain less or more than 100% renewable energy for our requirements.	Financial / Social	2	2	4	Multiple procurement rounds and flexible volume tolerances in agreements. Investment option reduces volume risk too.	2	1	2

## 5.4 Energy Advice

Risk	Context	Category	Likelihood (1-5)	Impact (1-5)	Overall risk	Mitigation	Likelihood (1-5)	Impact (1-5)	Mitigated risk
Risks of duplication with existing or proposed advice services provided by 3rd parties.	Diverse existing energy advice delivery mechanisms in London for both fuel poor and other demographics with interest in renewable energy and new one-stop-shop proposed by GLA.	TBC	5	5	25	<p>Clarify details and status of similar proposals by the GLA and Map Existing advice streams in London. Proceed only if project adds value.</p> <p>Ensure communication/discussion of planned actions with Retrofit working group to avoid overlap.</p> <p>Work to define what we would recommend as a renewable tariff - only proceed with advice should a workable definition be reached.</p>	1	5	5
Risks of duplication with retrofit works stream.	"Able-to-pay" residents will ask for advice on retrofit.	TBC	4	4	16		1	1	2
Lack of definition for "Renewable Tariffs" - Tariff explanation is overly complicated - too hard to explain/advice on.	There is no definition of green/renewable tariffs. If the aim is to increase renewable power in London, there is little value in promoting "greenwash" tariffs.	TBC	5	5	25		1	1	1

Truly renewable tariffs are expensive, at a time of high inflation and energy costs.									
Market impacts - high costs of energy - how long will this continue.	Unprecedented situation in the energy market - how long will the lag effects affect consumer prices (suppliers indicate 2 years?)	TBC	5	5	High	Energy pricing is outside of our control. However, good energy advice may help to mitigate the impacts on our residents of high-energy costs.	5	4	High
Funding and sustainability of funding for energy advice services and political priority for this work.	Existing energy advice services are funded via diverse mechanisms - but only supplying advice to those on low incomes, as funding is only available for residents at risk of fuel poverty.	TBC	5	5	High		Identify funding sources to provide energy advice to all residents.	4	5

## 6. Programme management

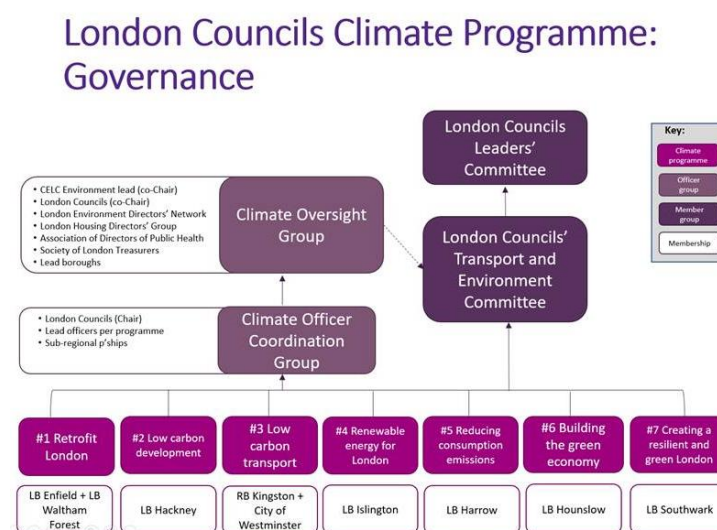
The programme will continue to be driven forward and delivered through Working Group meetings across the three different work streams led by the work stream sponsors and the Steering Board.

The following boroughs are involved in the Working and/or Steering Groups, which represents a diversity of boroughs across the political spectrum and geographically spread across London.

1. Barking and Dagenham
2. Brent
3. Bromley
4. Camden
5. City of London
6. Croydon
7. Ealing
8. Enfield
9. Hackney
10. Hammersmith and Fulham
11. Haringey
12. Hounslow
13. Islington
14. Lewisham
15. Newham
16. Richmond and Wandsworth
17. Royal Borough of Kensington and Chelsea
18. Sutton
19. Tower Hamlets
20. Waltham Forest
21. Westminster

The following partner organisations will help to deliver the ambition: London Councils, LEDNet, LBEG, ALEO, GLA, UKPN, BEIS, Laser, SE<sup>2</sup> and Turner & Townsend.

All seven climate programmes including RP4L will report into the Climate Oversight Group and TEC as set out in the diagram below.



## 7. Monitoring, reporting and review

The milestones will be monitored at Working Group and Steering Board meetings. Progress will be reported to TEC on at least a six-monthly basis. A dashboard will be created that gives an overall red/ amber/ green rating for each objective, and a sub-set of RAG ratings for each milestone, based on whether they are on track, completed or behind schedule.

Discussions for developing a second two-year work plan will begin in summer 2023 for approval by the end of the calendar year.

A decision will also be likely made in summer/ autumn 2023 on whether Islington Council wishes to hand over to another borough.

## 8. Annexes

### 8.1 Steering Board Terms of Reference

#### **Terms of Reference: Renewable Power Steering Group March 2021**

##### **Background**

During 2019, political engagement with climate change rose significantly, with many boroughs passing climate emergency declarations. Most of these declarations commit the council and the borough to a target for reaching net zero emissions. Even where declarations have not been passed, councils are raising their ambitions on this issue.

In response, the Transport and Environment Committee (TEC) and London Environment Directors' Network (LEDNet) met to discuss the climate emergency in November 2019. A Joint Statement on Climate Change was subsequently issued in December 2019, which identified a need to act rapidly and collectively on climate change, and support seven climate change priority programmes that boroughs should work together to deliver.

During summer 2020 London Councils opened a call for lead boroughs for each of the seven climate programmes, based on an agreed commissioning brief. This brief requires lead boroughs to oversee the development and delivery of an action plan to deliver on the programme's ambition, involving a balanced group of other boroughs and wider partners, to report back to TEC on a six-monthly basis.

In October 2020 meeting, TEC endorsed lead boroughs for the seven climate programmes, including LB Islington as lead borough for Renewable Power for London, with the ambition to **'secure 100% Renewable Power for London's public sector<sup>6</sup> now and in the future'**.

The Steering Group's role is to provide advice, endorse and make decisions to enable the delivery of the Renewable Power programme outputs and the achievement of programme outcomes.

##### **Chair**

Keith Townsend, Corporate Director of Environment, LB Islington

##### **Membership**

- London Borough Directors
- London Councils representatives
- GLA Representatives
- Additional members as determined by the group (including by invitation to specific meetings where requested)

##### **Scope**

The proposed scope of this workstream:

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<sup>6</sup> This relates to the Local Government Public Sector (not Central Government) but partnerships with other Public Sector organisations will be looked at.

- Accessing or buying more affordable renewable energy<sup>7</sup>
- Energy Advice (access to fairer renewable tariffs & reduction in carbon usage of buildings)
- Decentralised energy projects, which covers opportunities relating to district heating and power networks

### **Remit**

- The Steering Group will provide advice through support, guidance and oversight of progress being made by the Renewable Power Working Group. This includes:
  - Engaging with external partners to support the work of this group
  - Recognise and build on existing best practices at local levels to achieve scale across the whole of London.
  - Supporting advocacy activities that can secure resourcing and a supportive policy framework – at local, regional, and national levels
  - Consider what additional powers and resources will be needed from central Government and other groups to meet the target
  - Engage with the UK Cities Climate Investment Commission in relation to developing an investment prospectus for aggregated low carbon investable propositions ahead of the COP
  - Working with key delivery and funding partners (e.g., Transport for London, the NHS, Salix Finance, the Green Finance Institute, Laser etc.)
  
- The Steering Group will endorse and approve outputs from the Renewable Power Working Group which will include the following:
  - Agreed outcomes for the programme
  - Scope of activity required to deliver outcomes from the programme
  - Two-year work plan, including associated benefits, risks, and costs
  - Reports back to the LEDNet climate cluster on at least a quarterly basis
  - Reports back to London Councils TEC on at least a six-monthly basis

### **Outcomes for Renewable Power**

- Supporting London-wide efforts to reach carbon neutrality by 2030
- Develop a plan of action setting out what boroughs can do individually and collectively with the resources and powers currently available to secure 100% Renewable Power for London's public sector
- Support the development of lobbying asks to central Government, including any resource requirements and/or additional powers
- Any other outcomes as agreed by the Steering group, either during its inception meeting or throughout its programme of work.

### **Frequency of meetings**

Bi-monthly

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<sup>7</sup> This includes Power Purchase Agreements and Investment Grade Proposals, of which the latter is also linked to Decentralised Energy Projects

## 8.2 Working Group Terms of Reference

### **Terms of Reference: Renewable Power Working Group March 2021**

#### **Background**

During 2019, political engagement with climate change rose significantly, with many boroughs passing climate emergency declarations. Most of these declarations commit the council and the borough to a target for reaching net zero emissions. Even where declarations have not been passed, councils are raising their ambitions on this issue.

In response, the Transport and Environment Committee (TEC) and London Environment Directors' Network (LEDNet) met to discuss the climate emergency in November 2019. A Joint Statement on Climate Change was subsequently issued in December 2019, which identified a need to act rapidly and collectively on climate change, and support seven climate change priority programmes that boroughs should work together to deliver.

During summer 2020 London Councils opened a call for lead boroughs for each of the seven climate programmes, based on an agreed commissioning brief. This brief requires lead boroughs to oversee the development and delivery of action plan to deliver on the programme's ambition, involving a balanced group of other boroughs and wider partners, to report back to TEC on a six-monthly basis.

In October 2020 meeting, TEC endorsed lead boroughs for the seven climate programmes, including LB Islington as lead borough for Renewable Power for London, with the ambition to '**secure 100% Renewable Power for London's public sector<sup>8</sup> now and in the future**'.

The Working Group has been set up to develop and agree an ambitious and well-supported action plan that outlines how we will deliver the targets set for this programme.

#### **Chair**

LBI Officer (TBC- likely to be Ashwin)

#### **Membership**

- London Boroughs - Technical lead officers
- GLA officers
- London Councils representatives
- Additional members as determined by the group (including by invitation to specific meetings where requested)

#### **Scope**

The proposed scope of this workstream:

- Accessing or buying more affordable renewable energy<sup>9</sup>
- Energy Advice (access to fairer renewable tariffs & reduction in carbon usage of buildings)
- Decentralised energy projects, which covers opportunities relating to district heating and power networks

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<sup>8</sup> This relates to the Local Government Public Sector (not Central Government) but partnerships with other Public Sector organisations will be looked at.

<sup>9</sup> This includes Power Purchase Agreements and Investment Grade Proposals, of which the latter is also linked to Decentralised Energy Projects



## **Remit**

- Define individual outcomes to be delivered through the scope of work
- Consider and draft actions and activities that should be taken to deliver outcomes within the scope of work and ensure that it is commensurate with the relevant ambition. This should include associated benefits and risks, and potential costs
- Develop a two-year work plan and oversee the effective delivery of the action plan
- Consider what additional powers and resources will be needed from central Government and other groups to meet the target
- Consider the role of local area energy (LEAP) plans in defining a path to 100% renewable and potentially undertake an evidence-led local area energy plan as a demonstrator initiative. The LEAP needs to be developed and refined with ES to deliver a pan-London approach, support local DNO activities, translate strategy into local action and be cross-technology.
- Investigate best practice activities that are currently being undertaken at a borough level and identify pathways to achieve scale across the whole of London to secure 100% Renewable Power.
- Investigate and support advocacy activities that can secure resourcing and a supportive policy framework – at local, regional, and national levels – that supports the aim of the action plan
- Investigate cases of collaborative working in this area
- Engage with the other climate programmes with an interface in this area, including #1 Retrofit London, #2 Low-carbon development and #5 Consumption emissions (in relation to energy advice)
- Engage with the UK Cities Climate Investment Commission in relation to developing an investment prospectus for aggregated low carbon investable propositions ahead of the COP
- Identify and engage with external partners to support the work of this group
- Report progress, and escalate relevant issues or key decisions to the Renewable Power Steering Group
- Report back to the LEDNet climate cluster on at least a quarterly basis
- Report back to London Councils TEC on at least a six-monthly basis
- Working with key delivery and funding partners (e.g., Transport for London, the NHS, Salix Finance, the Green Finance Institute, Laser etc)

## **Outcomes**

- Supporting London-wide efforts to reach carbon neutrality by 2030
- Develop a plan of action setting out what boroughs can do individually and collectively with the resources and powers currently available to secure 100% Renewable Power for London's public sector
- Support the development of lobbying asks to central Government, including any resource requirements and/or additional powers
- Any other outcomes as agreed by the group, either during its inception meeting or throughout its work programme.

## **Frequency of meetings**

Monthly

### 8.3 Secure funding to resource programme through grant funding, borough contributions and in discussion with London Councils

To deliver on the activities in the action plan, additional funding is required. A plan will be developed which includes a strategy and an 'offer document' with benefits for investors.

At the Steering Group in December 2021, a request was sent for boroughs and partners to invest £10k into the programme (£5k minimum) which Islington Council has committed to.

The following has been identified as potential sources of funding:

- 32 London boroughs and the City of London: Call out to be potentially sent through LEDNet (coordinated by LBEG and ALEO.) This needs to be potentially consolidated with financial asks for all London Councils programmes instead of each programme asking for resourcing for their programme.
- BEIS
- Energy Hubs
- GLA
- DNO's: i.e., UKPN who are potentially establishing a team to help support local authorities in July 2022
- Universities
- Consultants: Laser, Turner and Townsend, Energy Systems/ Connected Places Catapult.
- Grant funding

## 8.4 Map Interdependencies with other London Council programmes

To avoid duplication and ensure that all seven London Councils Climate Change programmes are effective, it is important that interdependencies be mapped out with the six other programmes.

The following has preliminary been identified:

- Retrofit London: for Decentralised Energy in whole system approach and retrofitting domestic properties. For Energy Advice: Some energy efficiency advice services, directed at those on low incomes, also signpost to and support applications for 3rd party funding schemes for physical energy efficiency measures. For the able to pay sector, this progressive advice pathway, from behavioural advice through to provision of or signposting to advice and support on retrofit would be also seem to be logical, as it sits within the remit of reducing domestic energy consumption. For this reason, the energy advice strategy will be agreed with the Retrofit work stream, to maximise effectiveness and minimise duplication.
- Low Carbon Development: heat networks development for Decentralised Energy.
- Resilient and Green: use of green and blue spaces for Renewable Energy generation.
- Low Carbon Transport: whole system energy approach
- Build the Green Economy: economic benefits and developing the skills/ capacity required.
- One World Living: embodied emissions in manufacturing Renewables, ensuring they are built to last and are responsibly disposed of.

This mapping will help to further define the scope of the programme. The initial preliminary thinking regarding the scope for each work stream is:

1. Decentralised Energy:
  - a. Social housing and public realm LA buildings are within scope as this is what this group has direct control over/strong influence.
  - b. Other housing tenures, public sector buildings such as the NHS/TFL and any other building type that this group can coordinate, and influence is within scope
  - c. Planning, enforcement, and low carbon development to be within scope.
2. Accessing or Buying more Affordable Renewable Energy:
  - a. Energy that Local Government and other public sector institutions in London (collectively, 'London Public Sector bodies') are responsible for procuring are in scope, this includes communal suppliers in resident housing blocks.
  - b. Domestic energy supplies are outside of scope, as council's do not have direct responsibility for these supplies, instead this will be covered within the Energy Advice work stream.
3. Energy Advice:
  - a. Out of scope: Physical measures i.e., building fabric and retrofitting of domestic homes - already covered in Retrofit London ambition led by Waltham Forest and Enfield. Referrals to retrofit programmes through energy advice services will however be in scope.
  - b. Out of scope: Business behaviour - considered important but for now to be considered as part of a second phase.

## 8.5 Assess the current London wide picture of decentralised energy projects and pipeline schemes to inform opportunities and the future programme

To set the foundations strong for the work stream, it is important to understand what the current landscape is for decentralised projects and to critically assess this. This will help to understand what the potential future opportunities are and ensure that any future proposals add value and build on previous work.

The following has preliminary been identified to aid this action:

1. Existing/forecast heat networks and renewable energy technologies for London/boroughs
2. Future opportunity areas already identified for Decentralised Energy i.e., strong local community organisation, large development area. Identify areas in or near London that may be suitable for large-scale renewable generation (zoning).
3. GLA pathways to net zero by 2030 evidence base (to be published in Jan 2022)
4. Ofgem price caps
5. Potential London-wide behaviour change campaign for planners and developers
6. The following tools have been identified:
  - a. Heat Network Zoning Consultation<sup>10</sup>
  - b. [NCA document released that identifies heat sources](#)<sup>11</sup> nationally
  - c. GLA delivery models' research
  - d. [GLA Heat Map](#)<sup>12</sup>: can this map waste heat? Tube, sewers, data centres etc., YouTube tutorials being created for user testing
  - e. UKPN are upgrading their connections portal for approvals to the DNO, high level estimate of costs to connect and enhanced information Infrastructure map such as roads, rail etc. that impact network extensions. Embedded capacity register (details all current and planned generators in London megawatt.) London borough level generation and storage technology projections up to 2050. Something for similar for SSE?
  - f. [Energy Systems Catapult](#):<sup>13</sup> offering to compile Local Area Energy Plans for local authorities (for a price)
  - g. London Building Stock Model: including heritage buildings.
  - h. [London Solar Opportunity Map](#)<sup>14</sup> for PV/Solar Heat
  - i. [Heat pump retrofit in London](#)<sup>15</sup>
  - j. [London's Lost rivers report](#)<sup>16</sup>

<sup>10</sup> <https://www.gov.uk/government/consultations/proposals-for-heat-network-zoning>

<sup>11</sup> <https://www.gov.uk/government/publications/opportunity-areas-for-district-heating-networks-in-the-uk-second-national-comprehensive-assessment>

<sup>12</sup> <https://maps.london.gov.uk/heatmap>

<sup>13</sup> <https://es.catapult.org.uk/report/local-area-energy-planning-the-method/>

<sup>14</sup> <https://www.london.gov.uk/what-we-do/environment/energy/energy-buildings/london-solar-opportunity-map>

<sup>15</sup> <https://www.london.gov.uk/sites/default/files/heat-pump-retrofit-in-london-v2.pdf>

<sup>16</sup> <https://static1.squarespace.com/static/5d30896202a18c0001b49180/t/5d91e0881dde4e2bb83c4593/1569841318623/LostRivers+heat+seeking+report.pdf>

- k. [Cities and Community Energy](#)<sup>17</sup>
  - l. UKPN network diagrams are available [here](#)<sup>18</sup>
  - m. Forthcoming Hidden Carbon Economy report by Energy Unlocked and Quant Energy.
  - n. Islington Council: the new build NZC strategy/plan looks to exploit low energy options i.e., heat networks as a statement of intent. This is also built into local policy and the local plan. As a practical step, the Islington net zero SPD
  - o. energy master planning commitments across boroughs
  - p. Funding opportunities including energy funders such as BEIS
  - q. Funding structures including third parties:
    - i. Financing heat networks in the UK: guidebook
    - ii. Heat networks: procuring finance
    - iii. Heat network electricity revenues and licencing
    - iv. Assessment of the costs, performance, and characteristics of UK heat networks
7. Best practice examples/lessons learnt:
- a. North London group representing 7 boroughs who are currently working together to develop a coordinated heat network approach
  - b. GLA Local Energy Accelerator
  - c. Views on repurposing greenbelt/brownfield sites for renewable development
  - d. Land availability for direct wire connections in London
  - e. How much competition is there for space as conversion to electric vehicles starts to use increased electricity
  - f. Lambeth heat decarbonisation study, Enfield, Waltham Forest: technical and governance, [SELCHP](#)<sup>19</sup> energy recovery facility (the plant provides energy to a heat network in the London borough of Southwark that supplies heat to 2,500 properties.)
  - g. Bunhill Heat and Power Network (Islington)
  - h. GreenSCIES (Islington)
  - i. Energetik (Enfield)
  - j. Lessons learnt from other types of collaborative procurement such as GULCS
8. Technologies and design:
- a. Transition to net zero technologies will be included
  - b. District Heat Network and smart grids to reduce grid energy demand
  - c. Local battery storage fed by solar PV and energy-sharing from EV's
  - d. High standards to future proof district heating systems including hydrogen-enabled CHP, battery storage, fuel cells, pragmatic fabric first approach to buildings, conservation/ listed buildings restrictions, connections to grid and support local grid demand
  - e. flexing battery and heat storage using off-peak periods with lower energy charges, hybrid technologies, whole system approach
9. Skills/knowledge:

<sup>17</sup> <https://protect-eu.mimecast.com/s/sCluCnr6YCp0WzktE2-WH?domain=communityenergy.london>

<sup>18</sup> <https://www.ukpowernetworks.co.uk/safety/around-power-lines/request-plans-showing-where-electricity-cables-are>

<sup>19</sup> <https://www.selchp.com/>

- a. Map of skills and capabilities and how this is currently built within planning teams on energy infrastructure planning. Linking in with UK Cities Climate Investment Commission
- b. independent skills and advisory capabilities for both analysis and particularly optimisation and post-commissioning operations
- c. Explore the potential of a pan-London DE Knowledge Hub comprising technical and third-party financial skills and terms of reference to accelerate and support the delivery of local climate emergency actions

## 10. Financial Models

- a. Capital requirements for heat supply chain & operational cost of heat sources,
- b. Tariff price (revenue) for heat, does this attract investors and share benefits between all stakeholders and users?
- c. Financing models for public/private sectors to participate in development and operations including governance structure options and public procurement
- d. Strategies for later phase development funding and exit strategies for existing investors,
- e. Processes to seek and secure initial capital funding and working capital requirements
- f. Explore consumer protection and regulatory impact on risk and reward in energy networks
- g. Confirm certainty for resources and prioritise investments in a complex development chain to avoid delays,
- h. contractors (creating the market for distributed energy resources),
- i. sources of compliant funding stacks including pension funds, Carbon offset, municipal climate bonds,
- j. Does financial modelling distinguish between costs for business case development (revenue) and that for hard infrastructure (capital), and include total costs and total benefits including social and environmental value
- k. Consider the counterfactual technology (gas-fired CHP?) and the total invoiced cost of the heat to the end-user: impact of fossil fuel carbon taxes, carbon cost for users, tariff to incentivise homeowners to improve insulation (challenge with Private sector, work with Owner Occupiers.), GLA Local Energy Accelerator
- l. Link in with UK Cities Climate Investment Commission

## 11. Network Ownership and governance:

- a. Roles of Special Purpose Vehicles (SPV) to design, finance (capital and assets) and deliver projects, de-risk the process and manage post-commissioning operational risk i.e., sub regional groups within London i.e., South London group, tailored approach for local areas and 'villages', ESCO's/developers, and construction SPV's, legalities (advice on setting up partnerships.)
- b. Link in with UK Cities Climate Investment Commission
- c. What is the ownership in the community (time or £ investment)?
- d. What is the current heat network consultancy spec? Does it include appropriate governance models and public procurement requirements?

## 12. Residents and communities

- a. Communication and understanding of real benefits, levels of engagement to reassure about in-home and in-street disruptions

- b. Current knowledge on low-carbon technology across the communities, what education take place in the community on CHP to see the need for investment
- c. How do residents support projects and what education is there on end user controls?
- d. How do projects cut across different housing tenures? Are S20 used?
- e. How is equality of access to heat networks ensured and does this recognise the vulnerable and those experiencing fuel poverty?
- f. Is there coordination in works with other large-scale infrastructure projects? I.e., Thames Water and UKPN/SPEN etc. Use of GLA infrastructure coordination planning tool sufficient?

## 8.6 Publish London wide report on Decentralised Energy opportunities based on a potential sub-regional model to inform funding strategy to develop high level business cases for investment.

Taking the outputs of 8.5, a report will need to be produced on Decentralised Energy to move forward and achieve the ambition.

The following has preliminary been identified:

1. London/borough targets and tracking methodology for:
  - a. Heat networks and renewable energy technologies
2. Define what success looks like for the work stream, i.e., X amount of heat networks by X date.
3. What technology should we be baselining against? Initial thinking is CHP units that are H<sub>2</sub> ready
4. Engage early with whole system approach to facilitate the net zero transition at lowest cost. Scenario analysis to determine which path to go for decarbonisation.
5. Identification of sub-regional groups to be set up
6. Principles to follow pathways
7. Are there enough tools or do they need updating and tutorial/seminar approaches to achieve best value?
8. Key stakeholders and potential asks
  - a. Central Government:
    - i. Funding/ raising capital support,
    - ii. Heat Network Zoning Consultation,
    - iii. Policy/Roadmaps to decarbonise and clarity on hydrogen,
    - iv. Business case for funding for London and fitting in with the levelling up agenda,
    - v. Regulations to assist the development of brownfield sites,
    - vi. Removal of uncertainty around:
      1. forthcoming regulated market for charging heat

2. price cap for renewable heat
  3. Date for cut from installation/refurbishment of fossil fuel heating systems
  4. Clarity on CHP as a transition technology
- b. GLA
- i. Ask to add layer to the London Heat Map for future potential redevelopment clusters and review major waste heat sources – to inform developers at pre-app stage about "clusters". Current heat map is driven by existing heat loads and future networks that have already gone through detailed costly feasibility. Need interim stage to influence developers to work together, updating the heat map and the working group to be a user group that feeds into the design and update process, ask for resources to create a borough level-zoning map?
  - ii. Long term funding of Local Energy Accelerator?
- c. LAs: working together more closely generally and key points include:
- i. Convincing Council leadership and Members for them to see the need and benefits and commit to early investment/delivery partners,
  - ii. Evidence-based approach from distributed energy systems in operation
  - iii. Local Area Energy Plans to embed decentralised energy as an integrated systems approach
  - iv. Update planning process to encourage uptake of decentralised energy projects, addressing the challenge of conservation areas and heritage buildings
  - v. Commit resources in Councils to lead the process and implement the planning requirements, (early planning involvement required as procurement can take an exceptionally long time)
  - vi. [Community Energy in a Climate Emergency](#)<sup>20</sup>: CEL have prepared this major report which reviews all London borough climate plans, and examines actions undertaken to support community-related climate activities across a range of areas, but particularly those supporting community energy schemes.
- d. Other public sector institutions: NHS, TfL (including how can heat networks cross railways?), other public and private (e.g., data centres) sources of waste heat as both sources and users of heat and energy
- e. DNO: UKPN/SSE Southern: helping to facilitate connections and share data on waste heat, [Community Energy and London's electricity distribution network: new report](#)<sup>21</sup>: The forthcoming price control for the electricity network (called RIIO-ED2), will set the direction for a crucial period of the energy transition from 2023 to 2028 across Great Britain. London is no exception. This report examines what the community sector most needs from its local network at this key transitional moment and makes a series of recommendations
- f. Utilities companies: coordination for whole system approach, Thames Water to share sewer locations through infrastructure deliver plans and permissions for water source heat pumps.

<sup>20</sup> <https://protect-eu.mimecast.com/s/Vx7kCpQLRuErwG7TkT0h-?domain=communityenergy.london>

<sup>21</sup> <https://protect-eu.mimecast.com/s/mZ6pCoQXvupNwMQtW7gKt?domain=communityenergy.london>



## 8.7 Assess the current procurement position across the capital including broader public sector family e.g., NHS and establish position on carbon reporting for Renewable Energy Guarantee of Origin certificates (REGO) and Power Purchase Agreements (PPA)

To set the foundations strong for the accessing or buying more affordable energy workstream it is important to first understand the current landscape of procurement positions across the capital. As well as come to a position on carbon reporting of purchasing REGO's and PPA's.

The following has preliminary been identified to aid this action:

1. Existing/forecast Renewable Energy procurement demand (cost, quantities etc.) for London Public Sector Bodies. Including different load profiles using collaborative data and links to building decarbonisation, which could change demand for energy in the future.  
Understanding the level of appetite for collaborative procurement
2. GLA pathway to 2030 evidence base (to be published in Jan 2022)
3. Current contractual arrangements for London Public Sector bodies (length and approach) including collaborative arrangements (GLA/TFL group buying and West London Green Energy Procurement.)
4. Who are the key players?
5. How do organisations report that they are sourcing renewable power?
6. Different energy supply/investment options for reporting reduced carbon emissions. What are their advantages/disadvantages/risks (economics, environmental, social, tax implications)?
7. What short-term options are available until any longer-term procurement and/or investment opportunities are live?
8. Who are the key players?
9. What happens if too much energy is bought? Can this be sold on?
10. How is Renewable energy covered that is not from PPAs?
11. Different technologies used, including storage
12. Any impact on third party clients being able to opt into forward contracts?
13. Locations of sources
14. What additionality do they bring in?
15. Any complications with internal procurement/finance/tax regulations on length of supply contracts?

16. Learnings from other Power Purchase Agreements
17. Understanding customer owned renewable generation assets
18. Local Partnership Carbon Accounting tool
19. LGA procurement toolkit
20. What is the accounting impact of entering into long term contracts (liabilities created & accounting treatment)? Both from the IFRS/balance sheet perspective & Public Sector Net Debt.
21. What organisations can advise?
22. What commitments do bodies need to make prior to any collaborative procurement or investment commencing?
23. What are the consequences to all parties if an authority declines to enter into the final?
24. Lessons learnt from other types of collaborative procurement such as GULCS
25. Heat procurement:
  - a. What options are available for non-electrical Renewable Heat and what is the policy set?
  - b. Is it assumed all heat will become electrified?
26. Are there any requirements for a London wide behaviour change campaign?

## 8.8 Investigate collaborative routes to market

Taking the outputs of 8.8, an investigation on what collaborative routes there are to market will need to take place.

The following has preliminary been identified to aid this action:

1. London/borough targets and tracking methodology for Renewable Energy procurement (London Public Sector bodies)
2. Define what success looks like
3. Decide a shortlist of 5 preferential options (e.g., 3rd party PPA, existing PPAs, sleeved, virtual)
4. What technologies and locations are preferable / acceptable / not acceptable for renewable generation?
5. Position on definition of Renewable power. The current working definition is as electricity supplied from UK-based REGO-eligible generation sources, excluding Biomass

6. Understand ideal numbers of bodies to form any collaborative procurement / investment exercising, including the trade-off between purchasing power and complexity of a larger group
7. What vehicle to use to drive forward procurement exercise?
8. What should be used to evaluate potential bids?
9. Costs and funding options for upfront administration, procurement, and legal costs for each potential procurement/investment option. Then, for each potential procurement/investment option, costs, paybacks, £ per tonne cost avoidance and how this could be financed (e.g., role of pension funds, climate bonds, carbon offset funds, core budgets), Link in with UK Cities Climate Investment Commission
10. Key stakeholders and potential asks
  - a. Central Government: engage with BEIS and Ofgem, drive forward grid decarbonisation, understanding regulations, will REGOs be valid going forward as part of green tariff review? Any accounting impact of entering long term contracts (liabilities created & accounting treatment). Both from the IFRS/ balance sheet perspective & Public Sector Net Debt. Is there an opportunity for govt. to carve out liabilities for renewable purchasing?
  - b. London Public Sector bodies: Training of finance and legal teams about potential purchasing strategies
  - c. Energy providers: develop the renewable tech investment to ensure there is sufficient renewables supply for the long-term future
  - d. UKPN: helping to facilitate connections and ensuring grid infrastructure meets borough and programme needs.

## 8.9 Investigate and evaluate the current energy advice model across the capital with delivery partners, GLA and other stakeholders and publish recommendations

To set the foundations strong for the energy advice work stream, it is important to first understand what the current landscape is for energy advice across the capital. The work for this work stream will be dependent on plans of others such as the GLA.

The following has preliminary been identified to aid this action:

1. Existing/forecast domestic Renewable Energy demand in London/boroughs
2. GLA pathway to 2030 evidence base (to be published in Jan 2022)
3. Ofgem price caps
4. Residents' behavioural approach to energy procurement. Others (e.g., BEIS, Ofgem) have already studied this, this may be a collation of data from existing reports, or it may be by means of survey.
5. Differing consumer typologies have different approaches and drivers' e.g., high vs low engagement and knowledge, high vs low incomes etc.
6. What are resident's priorities and how are they currently aligned with other priorities i.e., affordable housing/fire safety?
7. Does advice include referral for private sector regulatory such as minimum energy efficiency standards (MEES)?
8. What are the barriers to using recent technologies (e.g., smart meters), smart heating controls and smart tariffs
9. Do energy advice services for fuel poverty meet the need for it?
10. Collation of best practice methodologies for encouraging energy saving behaviour change. This would include a consideration of different target audiences, e.g., school children, role of community groups, vulnerable people, the digitally excluded, those with accessibility issues, immigrants with English as a second language etc.
11. [Greenwich Energy Hero](#) (Demand side project)
12. Service questions: Who provides energy advice services across London? What do the services offer and to what extent - how many residents are supported? Do current services support residents to reduce energy use and/or buy renewable energy? How are they funded? What demographics do they support - are there eligibility criteria? What issues are most encountered? Are there common barriers that hinder support? Are there known gaps in support for which funding is needed? How are they monitored for efficacy, what KPIs are used and what are the results - do they deliver value for money and achieve their aims? What new services are planned e.g., by the GLA or other community group services, which may be spread disparate across London? Are existing service providers in a position to

extend advice to demographics other than those vulnerable to fuel poverty? These are often 3rd sector organisations, charities/not-for-profit organisations that have different drivers.

13. BEIS have indicated they will "support" local energy advice, so perhaps an approach for funding is warranted; The Net Zero Strategy states re: energy advice (p278): We are providing tailored advice and support to homeowners on what they can do to improve their homes. Our Simple Energy Advice service has already had over 1.5 million users, providing homeowners with personal, tailored advice for improving and decarbonising their homes and links to local, accredited, trusted installers. Homeowners can also find out about government schemes for which they may be eligible. We will enhance the digitally led service and are considering options to support tailored retrofit advice in local areas, supported by tailored local advice. This includes moving our Simple Energy Advice service to gov.uk, which will improve user experience, and supporting local advice provision. We are also reviewing other existing digital information and advice services related to net zero and exploring how to improve wider existing public-facing net zero content and advice on gov.uk.
14. London Councils [polling on Londoners' views on climate change in 2021](#). London Councils will also be creating some 'BeTheSolution' resources and support for RP4L in due course.
15. Is there a need and requirement for a London wide behaviour change campaign? For example on changing supplier and reducing energy usage.

Once this action has been completed, further actions will be suggested using the outputs. The following information may be useful for any potential future actions:

1. London/borough targets and tracking methodology for Domestic Renewable Energy
2. Define what success would look like for Energy Advice
3. Position on definition of Renewable Power
4. A proposed mechanism for delivering and monitoring energy advice for all London residents. Energy advice does not always have impact in terms of behaviour change but has other impacts such as individual empowerment, so monitoring will be difficult - impacts will not always be measurable in terms of energy savings but might be in terms of other variables e.g., wellbeing, less excess winter deaths etc.
  - This could potentially include the creation of a "One-stop-shop" to provide a gateway to enable all Londoners to access energy advice and support that is relevant to them:
    - i. A web-portal, for instance, linked to all energy advice services available across the capital as well as providing information and onward signposting, this would be relevant to all Londoners, not just those who are vulnerable to fuel poverty.
    - ii. This would need to bridge the gap in provision for those sectors of the population (able-to-pay) who need to be engaged to reach net zero carbon targets.
    - iii. Investigate whether existing advisors, who are experts in supporting those in fuel poverty, are best placed to support other demographics or whether extra provision should be made
5. Should we start with our own social housing tenants? - e.g., education on billing, how the energy system works, bespoke pictorial instructions for heating controls in each council

property - educating housing managers on use of controls so they can educate tenants and check thermostats during visits. Need to consider equalities implications re make up of different tenures and where fuel poverty already highest. Explanations for those with English as a second language, the digitally excluded, with accessibility issues.

6. An outline that will deliver on increasing the proportion of domestic energy supplied by renewables. This should define what parameters a "renewable tariff" should meet, in the context of energy advice tailored to the interest/expectations/financial situation of each resident.
  - a. This may simply include explanations of the complexities regarding defining what a "renewable tariff" is and defining it in terms of a sliding scale (1-5, below), where those nearer the top are more appropriate for highly climate motivated, able to pay householders and those nearer the bottom for those less climate motivated and on low incomes:
    1. Those provided by the three suppliers recognised by Ofgem as supporting additional investment in green infrastructure to a materially greater extent than existing government support schemes.
    2. Those that claim to supply 100% renewable energy, with a percentage REGO backed from the wholesale market, a percentage purchased via PPAs, and a percentage supplied from their own generators.
    3. Those that claim to supply 100% renewable energy, with a percentage REGO backed from the wholesale market and a percentage purchased via PPAs.
    4. Those with 100% renewable energy purchased only as REGO backed from the wholesale market but which are from suppliers who only supply 100% renewable tariffs.
    5. Those from suppliers that offer several tariffs, only some of which are 100% renewable wholesale market REGO backed.
    6. The above will be subject to potential changes to the rules regarding marketing of renewable tariffs, which may be made by BEIS, following the closure of the current consultation.
7. An outline that will deliver on reducing Domestic Energy Consumption (through behaviour changes in the home.) This could potentially include creating shared energy advice resources which are universal to all residents.
  - a. Advice and information about quick and easy wins to reduce energy consumption in the home.
  - b. Advice and information about renewable tariffs.
  - c. Advice and information about smart tariffs (static/dynamic time of use, battery storage tariffs, PV/EV tariffs), smart controls and tech within the home.
  - d. Onward signposting to further information, support, and funding for retrofit.
8. An outline business case for proposed solutions
  - a. What will this cost?
  - b. How will it be funded? E.g., Existing GLA warmer homes funding is already fully utilised to cover some of the cost of advice services for those in fuel poverty. Potentially - BEIS funding /Carbon offset funding /energy redress carbon emissions reduction fund.
  - c. What will the cost/carbon savings be? What will be the impact? How will benefits be measured?
  - d. Link in with UK Cities Climate Investment Commission.

9. Key stakeholders and potential asks
  - a. Central government: engage with BEIS and Ofgem:
    - i. Net Zero Strategy: P278 on energy advice “We will enhance the digitally led service and are considering options to support tailored retrofit advice in local areas, supported by tailored local advice.”
    - ii. As a minimum, an effective lobbying mechanism would be to respond as London Councils to the current pertinent consultations:
    - iii. Designing a framework for transparency of carbon content in energy products: call for evidence.
    - iv. Call for Evidence on Energy Consumer Funding, Fairness and Affordability
    - v. Others to be researched.
    - vi. Lobby for government to provide information on domestic energy efficiency centrally, to save public money in duplication across local authorities.
    - vii. Lobby for government to fund energy advice services to 2030, to support their aims to reach net zero, tackle fuel poverty and stimulate the green economic recovery.
  - b. GLA and LAs:
    - viii. Achieving and maintaining political and community buy in,
    - ix. Internal blockers need to be identified and processes streamlined due to pace required if climate emergency targets are to be met.
    - x. What are the levers of influence to mandate requirements?
    - xi. All local authorities to publish a Climate Action Plan and commit to invest in education, training, and knowledge,
    - xii. Political parties to collaborate.
  - c. Energy companies, UKPN and others
    - xiii. Potential funding role/their own schemes for fuel poverty