Section 1. Context

1. How does your proposal demonstrate delivery of the 2050 Ambition?

The Council is engaged in planning for net-Zero emissions across the borough by 2030. To achieve this, 560,000 tCO2e has to be cut each year.

Initial benchmarking of the opportunity from retrofit domestic energy efficiency has been completed by assessing the Energy Performance Certificates for properties in Southend using the Energy Savings Trust database built for the Council in 2016. Using 2016 data, an opportunity to move the average EPC performance from 60 to 75 on the EPC scale was reported through 484,000 individual measures across the 81,000 households. Savings of 695GWh are highlighted yielding annual cost savings of £28m per year or £343 per property. The opportunity for the local construction industry to deliver this work is estimated at near £1bn. CO2 savings are estimated at 109,000 tCO2e – 19% of total emissions.

However, the local construction companies do not have the skills to provide deep energy retrofit and do not know how to engage the customers in this process. Around 2.5% of all properties are refurbished each year and this is an ideal opportunity to engage in deep retrofit that can go beyond the measures identified in the EPC. This proposal encompasses an approach to engage with the local construction industry to deliver these retrofits at the same time.

Retrofitworks is an organisation in London that runs a cooperative of local construction companies. They engage with the local industry and assist them with quality standards, with skills, with procurement and with consumer engagement especially where receiving support grants from ECO (Energy Company Obligations) and other sources will assist implementation. Retrofitworks also engages with the householder through their quality assurance processes which may help customers choose to implement the work as they are confident in the quality of work.

This approach has demonstrated that deep retrofit work can be encouraged in the ‘Able to Pay’ sector which is critical to deploy for net-zero. The cooperative is funded by a levy of 10% of the value of works supported but because of the services provided, the net costs for suppliers falls and the costs for householders also generally declines. Profits from the cooperative would be first used to repay any seed funding from the Council and would then be split between cooperative members.

This proposal would engage with Retrofitworks and work with them to establish and grow a similar local cooperative, initially for Southend but potentially also encompassing the wider areas within Thames Gateway.

This approach is linked very clearly to the Safe and Well outcome.
2. What evidence have you got that this approach will deliver of the outcome?

Retrofitworks is well established and is expanding into other local authority areas as all areas in the UK suffer from this skills shortage.

The 2019 report from the Essex Employment and Skills Board on construction labour and skills identified a growing gap of skills in the construction sector. In addition to this, within the industry, skills and quality control in energy deep retrofit is a minority and cannot support the large opportunity available which continues largely untapped. The report identifies occupations for which there is high demand AND a high risk of a shortfall.

- Electrical trades and installation
- Specialist building operatives
- Painters and decorators
- Surveyors

The Council has also engaged with SMS plc who is the largest meter installer in the UK and one of the largest providers of boilers and engineering services to local authorities, housing associations and the energy companies. SMS have established their own training centre because they have not been able to find the resources with the skills to deliver their contracted work. Early discussions have suggested that they may be prepared to establish an off shoot of their training centre in the Thames Gateway area.

3. What are the measures of impact, success and how will you embed learning?

Measures of impact will include numbers of people trained, total number of members of the cooperative and their activity, revenue earned which is a measure of the work done.
Section 2. Aims, Objectives & Collaboration

4. What are the key aims and objectives of the proposal?

The key aim is to grow the retrofit industry in Southend to deliver a quality assured process to increase the deep energy retrofit works, thereby reducing emissions and assisting in the drive to net-zero.

5. Who else have you involved in discussions and how have the helped to shape the proposal?

Retrofitworks
SMS plc
Innovate UK
Amir Girnary – Economic Development Skills Project Officer

6. What are the links and dependencies with the other outcome proposals?

This proposal links to the Waste to Product heat network proposal as these skills will be required as the heat network becomes available and the local residents will have the opportunity to connect up, saving money every year, and having the chance to lower emissions.

The proposal also links to the Local Energy Systems project and will feed data into that project. The W2E and heat network plans will form the bedrock for the local energy system expanding out as more opportunities arise and the opportunity for homes to connect to the heat network will drive additional emissions savings.

7. Who are the partners (or potential partners) and how to you envisage their role(s) in collaborating to delivering the proposal to achieve the outcome?

Retrofitworks – initial consultant moving to being support service
SMS Plc – training provider

8. What potential challenges do you anticipate in respect of a) implementing this proposal, b) caused by this proposal once implemented?

1. The project will need to engage with the local construction industry and they may not want to operate in this way.
2. Construction companies may not see the benefit of paying 10% if they cannot perceive that their costs have fallen and they may feel they didn't get much from the investment.
3. Linking to Trading Standards 'Buy with Confidence' scheme
Section 3. Social Value

9. How could the proposal deliver social value - in terms of the local community, businesses, economy and environment and what will the specific impact and benefits be?

The proposal will yield additional work from construction companies which will translate into local jobs as well as deep retrofit of homes leading to lower bills, more cash to return to the economy and to CO2 reductions.

10. What is the perceived impact the proposal will have on groups with ‘protected characteristics’?

Residents at each end of the age spectrum are more vulnerable to health effects of poor heat and energy supply and of large energy prices. This proposal will assist to relieve these groups and will provide additional positive benefits to these groups. Some grant funding may need to be sourced to assist low income customers to access the scheme.

11. What is the proposal's potential direct or indirect impact on the wider community?

These are explored above.