

MUNICIPAL YEAR 2018/2019 REPORT NO.

ACTION TO BE TAKEN UNDER DELEGATED AUTHORITY

OPERATIONAL DECISION OF:
Executive Director -
Resources

Agenda – Part: 1	KD Num: 4719
Subject: Solar Together London	
Wards: All Wards	

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1. EXECUTIVE SUMMARY

- 1.1 In March 2018, the Mayor of London launched a pilot for the *Solar Together London* scheme to increase the uptake for solar photovoltaic (PV) on London's homes. Due to the success of the pilot (estimated average annual savings of 35% below market prices), the Mayor is now launching a second phase of the scheme and has invited all London boroughs to take part.
- 1.2 The scheme uses their joint purchasing power to help residents buy a quality home solar PV system at a competitive price, from a pre-vetted installer for the complete installation of solar panels on their homes.
- 1.3 The Greater London Authority (GLA) has procured iChoosr, who operate the Big London Energy Switch, to run the online registration platform, deliver the promotion and marketing, vet participating installers, run a reverse auction and market the offers to the registrants after the auction. Scheme delivery will be overseen by the GLA.
- 1.4 Five London boroughs participated in the pilot and a further eight have already signed up to the second phase - Enfield has the opportunity to join this group.
- 1.5 The GLA will support Enfield Council so that there are minimum demands on our resources and will mailshot residents, take care of communications and undertake marketing on our behalf.
- 1.6 The scheme will closely link in with the Council's existing Sustainable Enfield programme, helping Enfield meet its ambitious 60% carbon reduction target by 2025.

2. RECOMMENDATIONS

That the Executive Director – Resources:

- 2.1 Notes the contents of this Report
- 2.2 Approves that Enfield Council joins the GLA's *Solar Together London* group-buying scheme to increase domestic rooftop solar installation rates in London to help Enfield meet its ambitious 60% carbon reduction target by 2025.

3. BACKGROUND

- 3.1 In March 2018, the Mayor of London launched a pilot for the *Solar Together London* scheme to increase the uptake for solar photovoltaics (PV) on London's homes. Due to the success of the pilot, the Mayor is now launching a second phase of *Solar Together London* and has invited all London boroughs to take part.
- 3.2 In the past decade, the UK has seen a dramatic increase in the number of solar energy installations. However, London lags behind the rest of the country in realising the benefits of solar PV and there is a significant opportunity for London to increase its uptake from today's low levels.
- 3.3 People know solar PV is an option, but the number and variety of offers available can be confusing and they may not know where to go to get a good deal. One solution is a collective purchasing scheme.
- 3.4 *Solar Together London* is part of the Mayor's Energy for Londoners Programme and is aimed at Londoners who want to install electricity-generating solar PV. The scheme uses their joint purchasing power to help people buy a quality home solar PV system at a competitive price, from a pre-vetted installer. This will help people get a competitive price from a trusted supplier for the complete installation of solar panels on their homes.
- 3.5 Five London boroughs (Brent, Ealing, Kingston, Merton, and Sutton) participated in the pilot scheme which was a success. It is now in the installation phase and has seen nearly 3,900 registrants with more than 1,100 taking up their bespoke offer to install a solar PV system. The winning offer was on average 35% below market prices and this has been confirmed by iChoosr.

- 3.6 The *Solar Together London* scheme makes the purchase of a solar PV system an easy and transparent process for residents. Residents register for free via a website, giving details of their energy use and what type of roof they have. Once registration has closed, pre-qualified suppliers will bid in a reverse auction. The best offer price for a fully installed solar panel wins. Those registered then get a personal offer for a complete and installed solar system including the cost of an inverter, based on the information they have provided. If a resident decides to take up the offer, the winning supplier will contact them to survey their home and install the solar PV system.
- 3.7 It is important to emphasise that the scheme does not necessarily guarantee the cheapest solar system but instead, guarantees a quality system from a highly-qualified installer at a competitive price. All installers/suppliers are extensively vetted and subjected to strict procedures to ensure they provide top quality both in terms of materials (i.e. solar PV panels) and service before they are allowed to compete in the reverse auction. In addition, the installers/suppliers also have to guarantee that any sub-contractors that they may use also meet their own standards. To safeguard the high standards of product and works, iChoosr will quality check at least one in every 25 installations.
- 3.8 The GLA has procured the experienced service provider, iChoosr, to run the online platform and help market the scheme to encourage households within the private sector (owner occupiers and private landlords), to register with no obligation their interest in solar PV installations. iChoosr will vet participating installers, run the reverse auction, host the online registration platform, and market the offers to the registrants after the auction. Scheme delivery will be overseen by the GLA who will liaise closely with iChoosr and ensure that any complaints are handled correctly.
- 3.9 Following the period of sign up, there is a 'reverse auction' which enables energy companies to bid against each other to offer the lowest tariffs, in the hope of winning tens of thousands of new customers. Final prices are then set and information is sent to everyone who registered, with consumers having the chance to accept the price or decline it. It is estimated that the average annual saving for consumers could be on average 35% below market prices.
- 3.10 iChoosr will send all registrants their bespoke offer based on the winning price, which the registrant is free to accept or reject. A dedicated helpdesk is provided to assist registrants to make an informed choice. If they accept their offer, the winning supplier will contact them to schedule a survey and if all agreed, install the solar PV system.
- 3.11 A summary of the steps of the scheme is depicted in Figure 1 below.

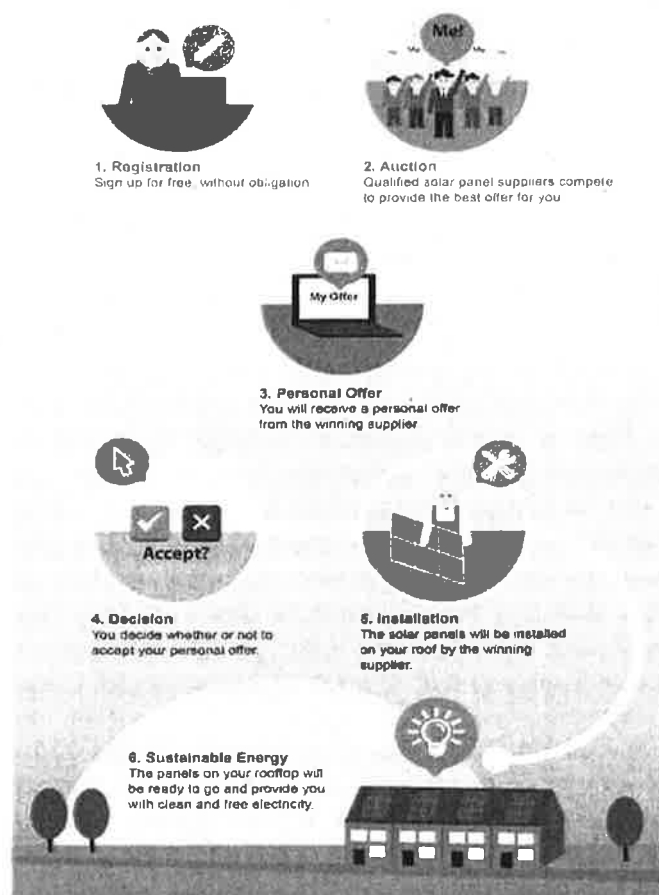


Figure 1. The customer journey for collective solar PV purchasing schemes

- 3.12 The rigorous quality checks that all suppliers have to go through before they are allowed to take part in the auction cover both materials and the installation process itself. The qualification process is open to all UK-based suppliers.
- 3.13 The Mayor of London is keen that as many Londoners as possible will be able to take part in the second scheme of *Solar Together London*, before the Feed-in Tariff, the Government subsidy for solar PV, comes to an end in April 2019.
- 3.14 The GLA has provided the Council's Communication Team its electronic marketing toolkit to use to target our residents. The electronic marketing will go out in a number of different formats such as the Council's website, several forms of social media, the Love Your Doorstep platform and internal staff newsletter. This will avoid the need of a costly paper mailshot. There will be minimal costs to place advertisements in local and ethnic press but these will be covered by a GLA grant (see 6.1.1).

- 3.15 The second scheme is conservatively aiming for a further 6,000 registrants and 1,500 installations and has already participation confirmed from a further eight London boroughs (Camden, Haringey, Havering, Islington, Kensington & Chelsea, Newham, Waltham Forest and Westminster); Enfield has the opportunity to join this group.
- 3.16 By way of a comparison, the Council has been in a similar partnership with iChoosr since 2013 with the *Big London Energy Switch*, a collective energy switching scheme. This group purchasing scheme brings together groups of consumers to buy a product in bulk and enables them to access discounts that aren't available to individuals. Enfield residents are able to switch utility companies to get a better deal on their energy tariffs and reduce their household bills.
- 3.17 There is political support for Enfield Council to follow the pilot and join *Solar Together London*. As a result of their position of trust in local communities and partnerships with other key players, local authorities have the opportunity to endorse and help facilitate community solar PV installation schemes.
- 3.18 What Are The Benefits?
- The Council is able to promote the scheme to their residents as a money saving scheme, which is likely to be well received given current spiraling energy bills
 - A renewable energy scheme backed by local authorities across London will increase sign-ups, as the Council brand is generally trusted by consumers
 - Savings on price of solar PV panels puts more money in people's pockets which will be spent locally, giving the local economy a boost
 - Gaining resident's trust in renewable energy creates wider opportunities to save energy, improve public health and reduce waste thorough long-term changes in behaviour
 - Consumers become more empowered, with increased awareness of energy consumption and management
 - The scheme will help the Mayor meet his ambitious zero carbon target for London by 2050 and contribute to a zero carbon future; for this to happen, London will need to be supplied by a range of clean and renewable energy sources
 - Solar energy projects can be developed and installed very quickly, and the fuel, solar radiation, costs nothing and is pollution free
 - The GLA will support Enfield Council so that there are minimum demands on Council resources; the GLA will on our behalf:

- Provide templates of their electronic marketing toolkit for use by the Council's Communication Team to target our residents (e.g. website, several forms of social media, the Love Your Doorstep platform and internal staff newsletter); this will avoid the need of a costly paper mailshot
 - Field all questions through the *Solar Together London* Help Desk
 - Carry out generic marketing to promote the scheme
 - Take care of all communications with all Enfield residents who register for the scheme (undertaken by iChoosr, the service provider)
- The scheme will closely link in with the Council's existing Sustainable Enfield programme helping Enfield achieve its ambitious target of a 60% reduction in its carbon footprint by 2025.

4. ALTERNATIVE OPTIONS CONSIDERED

4.1 Option 1: Do Nothing

- ##### **4.1.2**
- With significant financial benefits for residents and a political imperative to act, doing nothing is not a realistic option.

Conclusion: this is unrealistic

4.2 Option 2: Join an Existing Local Authority Consortium

- ##### **4.2.1**
- The Mayor of London ran a pilot scheme of *Solar Together London* earlier this year with five London boroughs participating. The pilot was a huge success and is now in the installation phase, and has seen nearly 3,900 registrants with more than 1,100 taking up their bespoke offer for a solar PV system. The winning offer was on average 35% below market prices.

- ##### **4.2.2**
- The second scheme is conservatively aiming for a further 6,000 registrants and 1,500 installations and already has committed participation from a further eight London boroughs; Enfield Council has the opportunity to join this group.

Conclusion: this is a realistic option

5. REASONS FOR RECOMMENDATIONS

- ##### **5.1**
- The scheme will help the Mayor meet his ambitious zero carbon target for London by 2050 and contribute to a zero carbon future; for this to happen, London will need to be supplied by a range of clean and renewable energy sources; solar radiation costs nothing and is pollution free.

- 5.2 As a result of their position of trust in local communities and partnerships with other key players, local authorities have the opportunity to lead and facilitate the community solar PV installation scheme for their residents as a money saving opportunity, which is likely to be well received given current spiraling energy bills. A local authority endorsed renewable energy scheme will increase sign-ups, given that the Council brand is generally trusted by consumers.
- 5.3 Gaining resident's trust in renewable energy creates wider opportunities to save energy, improve public health and reduce waste thorough long-term changes in behaviour.
- 5.4 The GLA and iChoosr will provide administrative support to Enfield Council so that there are minimum demands on our resources.

6. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES, AND OTHER DEPARTMENTS

6.1 Financial Implications

- 6.1.1 Since the GLA has provided the Council's Communication Team with its electronic marketing toolkit to use to target our residents (instead of a paper mailshot), the only costs to the Council for this proposal will be for the advertisements in local and ethnic press. These have been estimated to be about £1,200. However, the GLA will provide up to £4,000 by way of a grant which will cover these expenses.

6.2 Legal Implications

- 6.2.1 Under the S1(1) of the Localism Act 2011, the Council has a general power of competence to do anything that individuals may do provided that it is not prohibited by legislation and subject to Public Law principles. The recommendation to join the GLA's Solar Together London group-buying scheme to increase domestic rooftop solar PV installation rates in London is consistent with the Council's power.
- 6.2.2 The Council is a Best Value Authority under S1(1) of the Local Government Act 1999. The proposed expenditure on the mailshot is unlikely to represent best value in the event that better, more economic means of communication are available.
- 6.2.3 Any marketing literature that is addressed to the 'Occupier', where no personal data is processed, is not subject to the Data Protection legislation. However, if the marketer holds an individual's name on its database and, in practice, is actually able to match the data then it will be caught by the General Data Protection Regulations (GDPR).
- 6.2.4 Where the data controller sends an email to a named person, the GDPR will apply. In other words, the data controller must have obtained their details fairly and lawfully and the individual must be aware that the

organisation has their details and that they will be used for marketing purposes. It cannot send marketing mail if the details were originally collected for an entirely different purpose.

- 6.2.5 The Council's Communications Team has already obtained the necessary opt-in consents from residents in compliance with GDPR to enable them to send electronic communications to them.

6.3 Property Implications

- 6.3.1 Since *Solar Together London* relates to non-Council premises, there are no Property implications.

7. KEY RISKS

- 7.1 While the pilot scheme was successful and is supported by the Mayor of London and a number of London boroughs, it is not possible to predict the level of interest from residents, other than assuming similar uptake levels to the pilot scheme.
- 7.2 Brexit may have an impact on consumer confidence which could dampen demand, and government policy changes (including changes to the future of the Feed-in Tariff) might follow.
- 7.3 The scheme could attract criticism as it is inherently likely to favour larger PV installers who would have the capacity to deal with a potentially large number of installs and meet the strict qualification criteria. However, from the 25 solar schemes iChoosr has run in the Netherlands and Belgium, there is evidence of a so-called infectious effect, where neighbours of those who have taken up their offer become interested in solar PV themselves, and will contact (local) installers.
- 7.4 As the Feed in Tariff comes to an end in April 2019, it is very likely that there will not be another such auction before that date, meaning this may be Enfield's only chance to participate.
- 7.5 Reputational risk from using the Council's brand to endorse the scheme is mitigated through ensuring use of the Council's Brand Guidelines, running all marketing material past the Council's Communication's team and the GLA's due diligence associated with the project.
- 7.6 In addition, all installers have all been vetted vigorously before they're allowed to take part in the auction. This vetting includes financial due diligence (to ensure they can handle such a large and important scheme and are unlikely to go bust half-way through), criteria for the components they're allowed to use (minimum performance standards rather than specific brands), and it also includes them having to provide

a plan on how they would set up their surveying and installation programme as well as their complaints handling should they win the auction. This will ensure that they understand the potential scale of the project and are able to complete all installations successfully by the set deadlines.

- 7.7 Any complaints about performance of the panels will be dealt with by the installer. Any complaints about the installation will be dealt with by the installer as well, with iChoosr always there to help the resident and ensure the installer deals with the complaint appropriately. The GLA's experience with the pilot scheme was that iChoosr were very quick in responding to any complaints and were determined to make sure the resident was satisfied with the proposed solutions.
- 7.8 iChoosr will also be carrying out spot-checks on one in every 25 installations to ensure quality. They will also send a random sample of the panels used by the winning installer to an independent test facility to ensure they indeed meet the set performance standards.

8. IMPACT ON COUNCIL PRIORITIES

8.1 Fairness for All

- 8.1.1 The *Solar Together London* scheme will deliver social benefits across the Borough, cut carbon emissions and improve public health and wellbeing. Although by its nature focused on 'able to pay' residents, it could also help reduce fuel poverty.

8.2 Growth and Sustainability

- 8.2.1 The *Solar Together London* scheme is a key strategic project with fuel poverty and public health benefits and fits into the broader sustainability agenda and the Sustainable Enfield programme. It will contribute to reducing the Borough-wide carbon footprint and help meet the associated 60% carbon reduction target by 2025.

8.3 Strong Communities

- 8.3.1 As with the Council's aim of 'Fairness for All,' *Solar Together London* will help deliver 'Stronger Communities' through the social benefits delivered.

9. EQUALITY IMPACT IMPLICATIONS

- 9.1 Local authorities have a responsibility to meet the Public Sector Duty of the Equality Act 2010. The Act gives people the right not to be treated less favourably because of any of the protected characteristics. We need to consider the needs of these diverse groups when designing

and changing services or budgets so that our decisions do not unduly or disproportionately affect access by some groups more than others.

- 9.2 It is not relevant or proportionate to undertake a full equality impact assessment/analysis of this proposal as the *Solar Together London* scheme will ensure social benefits for all communities in the Borough, although the scheme is by its nature focused on the 'able to pay'. This will include use of appropriate marketing mechanisms to access 'hard to reach' stakeholders, whilst recognising that with limited resources, the opportunities to go beyond a blanket marketing campaign may be limited. However, it should be noted that the any agreements will include a duty on iChoosr to assist us with meeting our obligations under the Equalities Act 2010.

10. PERFORMANCE MANAGEMENT IMPLICATIONS

- 10.1 The procurement of the service provider, iChoosr, has already been undertaken by the GLA and a pilot scheme was successfully run with five participating local authorities.

11. HEALTH AND SAFETY IMPLICATIONS

- 11.1 As the *Solar Together London* relates to non-Council premises, there are no corporate health and safety implications.

12. PUBLIC HEALTH IMPLICATIONS

- 12.1 There are no direct public health implications from this report as this is a recommendation to enable Enfield residents to implement measures to reduce energy consumption and costs. However, climate change has been described as the greatest threat to the health of the public in the 21st century and resultant carbon savings subsequent to this report will help mitigate this threat.

Background Papers

None.