

MAYOR OF LONDON



RE:NEW – Hackney Council

Background information

Hackney Council is in the process of completing a heating upgrade of 800 homes in the borough. The project has included replacing expensive individual electric heating with communal gas boilers, cutting both tenants' fuel costs and CO2 emissions.

The scheme has been facilitated by £1.7m of Energy Companies Obligation (ECO) funding, £4.2m low-interest loan finance from the London Energy Efficiency Fund (LEEF) and Hackney Council's own budget. Contracted via the RE:NEW's procurement framework in Spring 2014, the project was aimed at reducing fuel poverty by placing a high priority on finding the cheapest form of heating for tenants. Residents had complained that winter electric bills were up to £60 per week and in 2010, more than one in ten Hackney households were in fuel poverty.

Hackney Council has worked with the RE:NEW Support Team for two years and has already replaced 600 units with affected residents' fuel bills being halved. Curtis Taylor, Head of Estate Renewal, describes how Hackney Council has benefitted from the team's free support services.



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How did you hear about the RE:NEW framework?

Hackney Council was invited to the launch of RE:NEW at City Hall. This is where we first heard about the Procurement Framework and different funding options including the LEEF loan. We could have used our own Decent Homes contract however we decided that the RE:NEW framework was more flexible.

How have you benefitted from working with the RE:NEW Support Team?

The communal heating project was procured using the RE:NEW framework. The framework was very easy to use and the team provided extremely strong support. RE:NEW's strong relationships with contractors and energy suppliers were really helpful. We received a lot of help in putting tender requests together and running these through the RE:NEW framework was very efficient. RE:NEW's London-wide status helped us convince people sitting on the fence to get involved as it showed this is not just about Hackney Council. We first heard about the LEEF loan at City Hall and I am convinced that collaborating with RE:NEW really helped our application to succeed.

What is the project?

Hackney Council is determined to address the issue of fuel poverty through targeted retrofit of energy saving measures. The project consists of converting expensive individual electric heating to communal gas heaters in 800 units across 10 blocks in Hackney. Heat meters have been installed in every flat to measure new heating bills and we can see that heating bills have been halved. The main priority of the project was to reduce fuel poverty and our external funding means residents are liable for maintenance and fuel costs only.

Did you complete an options appraisal?

Yes, we completed an options appraisal with communal heating being chosen from three options. We went for the option which provided the lowest energy costs as that was the main priority.

Please can you explain the nature and length of the process?

The project went through several stages including idea generation, financial modelling, technical modelling and key stakeholder analysis and engagement. Approval to start was received in Spring 2014 and the work is anticipated to complete in September 2016.

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What challenges did you face to take the project forward?

We assumed that once the tender and prices were sorted everything would run smoothly but there were supply chain problems as not enough people were overseeing the delivery. This was the biggest challenge.

Looking back is there anything you would have done differently?

We could have consulted with residents earlier and more thoroughly on a block by block basis. This would have made things smoother. This would have ultimately reduced the blame placed upon Hackney Council when contractors were delayed or behind schedule.

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RE:NEW provides a highly skilled and experienced Support Team which offers FREE support to social landlords and mixed tenure schemes to increase the scale of domestic retrofit.

The support is tailored to each organisation and comprises:

- A review of retrofit potential
- Formulation of retrofit projects
- Funding and procurement advice
- Support through the procurement process



The RE:NEW Support Team are working with organisations across London to help cut carbon emissions and reduce fuel poverty by enabling more domestic retrofit projects.

FOR MORE DETAILS CONTACT: RENEW@LONDON.GOV.UK



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