



# INNOVATE project

## WP2, D.2.2

### Parity Projects Local Development Plan

#### Introduction

This development plan is an operational document designed to define all the steps and required conditions to meet the goal(s) beforehand delimited.

Adapted to our specific Innovate energy efficiency service needs, this Development Plan will structure the path to the achievement of our objectives: elaboration of an EE service package to help homeowners in retrofitting substantially and to convince the doubters.

#### A. What is the starting point?

##### Preamble

Parity Projects is a small private company that was set up with the aim of delivering low energy retrofit to households. Our business plan is to provide a one stop shop comprising advice, an impartial way of recommending installers, associated services including finance, and an over-arching service which allows quality assurance of the whole process and ongoing relationships to be maintained with householders.

##### CROHM

CROHM is a service offered by Parity Projects to Housing Associations and other large landlords to allow them to understand the energy-related characteristics of their housing stock, and to identify the most cost-effective and appropriate measures at the level of individual dwellings.

The service was originally offered as a consultancy report with static analysis, but in early 2017 we launched a web-portal that allows data to be dynamically maintained, and new analysis to be quickly and automatically done.

##### RetrofitWorks

RetrofitWorks was incorporated in 2013 following an EU Eracobuild funded study by Parity Projects to determine the feasibility of such an undertaking. Following the end of the Eracobuild project Parity Projects continued to fund the project with zero interest finance until recently when the co-operative has become financially self-sustaining.

RetrofitWorks is an installer-owned co-operative (not for profit) which allows householders to get three quotes from different installers, then offers an impartial guide through the installation process for the householder including quality assurance of works and measure selection (using CROHM).

RetrofitWorks requires a certain minimum capacity of installations, and currently is only used to service grant schemes for local and regional authorities.

## Synthesis

Parity Projects intends to achieve its long-term aims of delivering low energy retrofit to households through a one stop shop through the INNOVATE project by bringing together its existing CROHM and RetrofitWorks projects.

- CROHM will offer an online portal containing energy data for all addresses within a given area.
- The portal will allow residents to access and select recommendations (using adapted functionality from the existing portal).
- RetrofitWorks will allow residents to go ahead with recommendations in areas where it has developed a sufficient installer network through the grant related work.
- The portal will also allow Municipalities and other stakeholders to access area-level analysis and address lists to inform marketing.
- Analysis of visitors to the portal will allow marketing actions to be evaluated

## B. Where to? Aims and Objectives.

The objective of the project is to provide a one-stop-shop offer for energy retrofit measures for private housing in London, with potential to become sustainable in the long term and extend to other areas of the UK. While we expect our target market to be heating efficiency and fabric efficiency measures in owner-occupied housing as identified in the Market Gap analysis, we are different to some other INNOVATE partners in that we are not linked to a particular municipality although we are based in London.

## Objectives

The obvious objective is to install measures in able-to-pay homes. However, the project is based on the observation that many UK schemes spend considerable time developing infrastructure around:

- Design and targeting of marketing
- Procurement of installers
- Enquiry management arrangements
- Scheme evaluation
- Financial sustainability

The main objective of the scheme is to develop a flexible one stop shop that will include all this infrastructure 'ready-made', and will allow us and partners (such as municipalities) to identify homes and measures, trial marketing routes designed to address these homes, allow residents to install measures through impartially selected and quality managed installers, and evaluate marketing to feed into future schemes.

This compares to the periodic schemes in the UK that appear, spend considerable time on setting up infrastructure, then disappear when the funding finishes without learning lessons for the long term.

Our primary objective is therefore to develop a one-stop-shop framework of services that allow stakeholders (such as municipalities) to:

- Strategically target marketing
- Manage enquiries (online, and in person/by phone)
- Provide a best value and quality assured route to installations including appropriate grants
- Conduct continual evaluation
- Provide a model for financial sustainability for local schemes in the long term

Our secondary objectives (through the project) are to:

- Secure strategic relationships with three municipalities
- Renovate 100 homes

### C. How? What? The operational strategy?

Steps are detailed in the Action Plan, attached to the LDP.

The major parts of the project (in terms of resources) are:

- Development of an IT portal (adapting existing CROHM technology)
- Adaptation of RetrofitWorks (installation mechanism) to service the able-to-pay sector.
- Securing strategic relationships with stakeholders, most notably Municipalities

In the UK many municipalities have a remit to promote energy saving, but have very limited resources. We have designed our project to provide the infrastructure to design, implement, and monitor and evaluate energy saving projects. IT provides a great opportunity to provide this infrastructure at a very low basic implementation cost, and thereby dramatically reduce the overheads involved in a municipality implementing a scheme. Development of our IT portal is therefore a major part of the project.

Specifically we plan for our one-stop-shop framework of services to be based on an online portal. This will:

- **Strategically target marketing**  
The portal will contain address and energy information for every home in an area. This will allow mapping and profiling data to be presented to organisation users
- **Manage enquiries**  
There will be two methods allowing enquiries to be managed:
  1. a resident page where they can look up their home, register, select measures, request quotes
  2. a customer management system for use by RetrofitWorks and strategic partners
- **Provide a best value and quality assured route to installations**  
Enquiries, managed as above, will include a mechanism to refer installation enquiries to RetrofitWorks. In turn, information about quote and installation progress will be reported on the portal.
- **Conduct continual evaluation**  
As enquiries are noted in the same system as is used to inform marketing we can easily design systems to evaluate marketing.
- **Provide a model for financial sustainability for local schemes in the long term**  
RetrofitWorks is self-funding through referral fees, and fees are provided in turn to 'Referrer' members who provide the initial enquiries. Where the referrer member is a municipality, the fees may be used to make the scheme self-sustaining.

## **D. Who?**

Project resources, project-holders (see attached table for detail)

This part should also answer the following:

- *Which partners/market players will be mobilized, in which part of the process?*
- *What role will your organization play (facilitator, developer, coordinator, financier?)*

### **Parity Projects**

Parity Projects are the lead project partner, and are responsible for project management, delivery of the one-stop-shop framework including integration with RetrofitWorks, recruitment of Strategic Partners.

### **RetrofitWorks**

RetrofitWorks is a sister organisation to Parity Projects, and will share responsibility for developing an integrated one-stop-shop framework for delivery of area-based schemes. RetrofitWorks is based in the same office as Parity Projects, and was only established as a separate organisation in order to provide an impartial, not for profit and cooperative mechanism for installation of energy measures as recommended by Parity Projects.

### **Delivery Partners**

As well as installer partners (members) for RetrofitWorks we are also seeking other delivery partners, most notably for delivery of finance to householders. So far London Rebuilding Society has joined RetrofitWorks as a member and this will allow residents with equity in their home to finance home improvements.

### **Strategic Partners**

We expect the key strategic partners to be municipalities. In the UK many municipalities have a remit to promote energy saving, but have very limited resources. We have designed our project to provide the infrastructure to design, implement, monitor and evaluate energy saving projects, making use of IT where appropriate to reduce implementation costs. We expect this to dramatically reduce the overheads involved in a municipality implementing a scheme, and we also hope to identify a business plan that will make local energy saving projects more financially sustainable.

In addition we expect to find other strategic partners as we develop and make contacts, although the nature of these strategic partners is not clear. These may possibly include:

- Other organisations with similar aims to Parity Projects
- Installers wishing to access new resources to address a wider market
- Organisations, such as power companies, estate agents, or retailers, wishing to make strategic partnerships to achieve energy saving aims.

## **E. In what time?**

What are the operational stages of implementation of the project?

See Action Plan, attached to the LDP.

The attached action plan includes a detailed timescale.

In summary:

- Much of the resources in the first part of the project (Jun 2017 – September 2018) is spent in IT development of a prototype portal
- At the same time we have been approaching Delivery Partners for RetrofitWorks: most notably finance partners, as well as installer members
- As the prototype becomes available (late 2018) we will be seeking Strategic Partners to:
  - provide data and feedback for prototype development
  - assist in early trials (2018-19)
  - to assist with outreach, marketing and regional foci for the full roll out of the scheme (2019-2020)

#### **F. What will be the indicators of success?**

What are the measurable development objectives, in relation with the objectives listed under B.?

*See Action Plan, attached to the LDP, for detail.*

The indicators of success we have identified are listed below:

- Number of homes retrofitted with energy saving measures
- Annual CO<sub>2</sub> emissions reduction per home as a result of energy saving measures (using standard EPC methodology)
- Number of enquiries (and conversion rate between enquiries and installations)
- Number of homes opting for finance
- Number of municipalities who become Strategic Partners
- Number of installers joining RetrofitWorks

#### **G. Other comments**