

London Energy Partnership

Community Heating Task Group – Draft Action Plan

October 2006

Vision

1. To develop community/district heating networks (CH) in London to deliver a low carbon world city
2. To facilitate the implementation of combined heat and power (CHP) and renewable technologies
3. Ensure every opportunity for increasing CH and associated low/zero carbon technology is realised

Objectives

The Group will achieve its vision by:

1. Influencing and stimulating activities to take forward the GLA London-wide Community Heating Study
2. Creating a positive environment and promote the development of CH in London
3. Creating and maintaining a database of community heating data across London
4. Protecting existing CH and CHP

Activities

Priorities

Of the activities outlined below, the priorities for early action are:

- 1A – Supporting the development of CH schemes identified in the London Community Heating Study
- 2A – Marketing and promotion of community heating
- 2B - Embedding community heating in planning

These activities should provide the Group's focus for the six months to March 2007. Development work for other activities should also be started in that time.

Objective 1: Influence and stimulate activities to take forward the GLA London-wide Community Heating Study

The LEP CH Task Group should support the development and implementation of schemes identified in the Community Heating Study by:

1A. Supporting the development of CH schemes

Working with the London Boroughs of Southwark and Tower Hamlets to stimulate activities towards the development of schemes outlined in the Community Heating Study. This support could be in the form of:

- Encouraging letters of support from the Mayor, the Deputy Mayor and other political leadership for the development of these schemes
- Giving presentations and/or guidance to Council members and local stakeholders on the benefits and opportunities presented by the two projects. This will help to build local support and momentum behind the projects.
- Helping to identify key players and resources to support scheme development

- Providing a forum for potential project partners to develop plans and build relationships – this could include project financiers, energy suppliers, technical experts and local communities.
- Providing guidance to the Boroughs and partners on how to address local community responses to the schemes

1B. Supporting implementation of CH schemes

Working with the London Boroughs of Lewisham (SELCHP) and Barking and Dagenham (Barking) to support the delivery of schemes outlined in the Community Heating Study. This support could be in the form of:

- Providing expert support/encouragement to the London Boroughs/project partners
- Encouraging the industry to engage with these two projects
- Providing guidance to the Boroughs and partners on how to address local community responses to the schemes

Much of this support is reactive, so early discussions with the two sets of project partners are encouraged in order to identify a set of activities to be undertaken. Greater emphasis should be given to supporting the schemes in Tower Hamlets and Southwark as these are less well-developed and in greater need of early market intervention.

The budget for these activities will mostly be in the form of in-kind contributions of time from group members.

Objective 2: Create a positive environment and promote the development of CH in London

2A. Marketing and promotion of community heating

The Group has a role to play in marketing and promoting community heating within London. Initial activities to be undertaken would include:

- Accessing marketing expertise (possibly from an energy supplier) to assist the Group in briefing the development of a marketing plan
- Identifying resources for the development of marketing plan
- Creation of a marketing plan including:
 - o Identifying target audiences
 - o Developing key messages regarding community heating
 - o Identifying and scoping an engagement programme and marketing activities to be undertaken
 - o Identifying and communicating the role of the Group and the role of stakeholders and others in delivering marketing activities
 - o Outlining resource and budget requirements for plan delivery (including potential sources of funding for marketing activities)

The marketing plan would also address the extent and nature of prejudice against community heating; however, it is unlikely that the Group will have/be able to access resources to carry out robust market research in this area. The Group should consider ways in which community heating can be explored in consumer/community/industry research being undertaken by members/partners.

- Implementation of marketing plan
- A stakeholder management programme should be incorporated in the marketing plan; it is likely to involve identification of key stakeholders (both positive and negative) and the development of strategies to leverage or build their support for CH

Budget/resources would need to be identified for the development of the promotional plan and its implementation. In-kind contributions of time and marketing support should be sought from Partnership members. Possible sources of funding for this activity include:

- EDF/other energy suppliers
- GLA
- Lottery Funding
- Landfill Tax
- English Partnerships
- Housing Corporation
- Climate Challenge Fund

2B. Embedding community heating in planning

The Group identified working with the planning community as an early priority activity. This work builds on activities already undertaken by the London Energy Partnership and makes effective use of existing resources and communications channels.

- Encourage the explicit inclusion of community heating in Local Development Frameworks (LDFs) by:
 - o Working with the GLA to identify which boroughs are updating their LDFs
 - o Seeking and communicating a message of support from the Mayor and Deputy Mayor for the inclusion of community heating in LDFs
 - o Communicating with Boroughs and providing support/guidance/information to encourage the inclusion of community heating
 - o Supporting the GLA in its provision of comments to Boroughs on their revised LDFs
- In conjunction with marketing and communications activities (2A), raise the profile of Boroughs which are including community heating in their planning guidelines, showcasing these boroughs as exemplar policies (“the Merton effect”).
- Seek support from the Energy Saving Trust, Carbon Trust, Best Practice programme and Practical Help in the provision of information to Borough planning departments
- Identify opportunities to link community heating to support services already provided to planners (eg, helplines and advice services for planners on renewable energy and/or energy efficiency)
- Encourage the Mayor and Deputy Mayor to raise community heating as a planning issue in their engagement with national government
- Lobby the Audit Commission to include a carbon saving performance indicator in Comprehensive Performance Assessment from 2008. This builds on discussions already under way in the local government and environmental protection industries, and the Group should focus in particular on recording and monitoring carbon saving from community heating¹.

Budget may be required for a Project Manager to coordinate these activities. Potential sources of budget include: EST, Carbon Trust and the Town and Country Planning Association. Approaches to DCLG and the GLA should also be considered. The Project Manager could be sourced from within a London Borough.

Further phases of activity to provide support and guidance to developers should be considered over 6-12 months.

¹ There could be potential for crossover here with the Group’s desire to map community heating across London. Inclusion of CH in CPA could lead to a requirement on local authorities to map and report on CH capacity in their boroughs.

2C. Identifying and addressing skills gaps

As an early priority, the Group should review the Review of Skills in Energy Efficiency and Renewable Energy in London recently produced by SE² for the London Energy Partnership. This should lead to the identification of CH skills and capacity issues which the Group can then address. It is recommended that the Group liaise closely with the LEP's Skills Task Group in pursuing these activities.

The idea of establishing a technical centre of excellence or pool of expertise was seen as less of a priority at this stage.

Budget may be required for further research on skills gaps once the London Review has been considered.

Objective 3: Create and maintain a database of community heating data across London

There is a desire for accurate, up-to-date and robust data on the extent and nature of community heating across London. The Group can influence and lobby for the creation of a database of community heating, which should provide effective data for benchmarking, performance management and links with other programmes (eg, EU ETS). The database would map existing community heating (showing scale, age and building types served), indicate links with CHP and other major heat generation and indicate opportunities for links/clusters.

Activities to be undertaken by the Group include:

- Developing the business case/rationale for the database, to motivate third party funders (this includes not only the carbon case, but the economic development/employment case, and should link in to the messages developed for the marketing plan)
- Identifying potential organisations that could fund and support the development of the database
- Identifying organisations that could develop, deliver and maintain the database
- Working with the delivery organisation to ensure that data collection links with awareness raising activities (ie, that the collation of data is in itself part of the Group's promotion of community heating)

Creation and maintenance of the database has the potential to require a significant budget. It is the Group's view that a third party organisation should be encouraged to lead on the development of mapping community heating. This activity is regarded as a lower priority, for commencement over the next 12 months.

Objective 4: Protection of existing CH and CHP

Community heating and CHP schemes across London may be at risk of replacement as buildings are refurbished or redeveloped and developer perceptions of community heating remain unfavourable. The Group wishes to protect existing community heating and CHP capacity. This could be done by:

- On a case by case basis, intervening in situations where a scheme is at risk. This intervention could take the form of seeking letters from the Mayor/Deputy Mayor, seeking support from the local community and raising the issue with the local/London media.
- Close engagement with Boroughs (linked with Planning activities outlines in 2B) to ensure that existing CH capacity is respected and protected wherever possible
- Consideration and scoping of a Code of Practice for Boroughs, RSLs and others

Intervention activity is based on in-kind contributions from members of the Group and mobilisation of support from the wider CH/energy efficiency industry and networks. Working with Boroughs should form part of the wider Planning activity. A Code of Practice would require

development of a business case and would need budget for development, promotion, monitoring and review.