



To: Executive Councillor for Housing (and Deputy Leader): Councillor Catherine Smart
Report by: Jas Lally, Head of Refuse & Environment
Relevant scrutiny committee: Community Services Scrutiny Committee 13th October 2011
Wards affected: All Wards

Thermal imaging of private homes in Cambridge through the HeatSeekers Scheme
<KeyDecision>

1. Executive summary

- 1.1 Cambridge City Council has been approached about introducing the HeatSeekers scheme in Cambridge. This scheme offers a new approach to promoting energy efficiency within the home through citywide thermal imaging of properties. A resident will be offered tailored advice and the opportunity to have insulation installed with the assistance of government grants.
- 1.2 The scheme offers significant benefits to Cambridge City Council's objectives regarding climate change, but more importantly it will also help residents to save money and to reduce fuel poverty within the city. The timing is also significant, as the scheme will encourage residents to take advantage of their current grant entitlement.

2. Recommendations

- 2.1 The Executive Councillor is recommended:
- 2.2 To approve the introduction and promotion of the scheme
- 2.3 To agree Cambridge City Council works with the Mark Group as described in the Memorandum of Understanding. (see appendix i)

3. Background

- 3.1 Cambridge City Council have been approached by a private organisation called Energy Saving Partnership (ESP) to work together to deliver their HeatSeekers project within Cambridge.

- 3.2 HeatSeekers is a process by where specially equipped vehicles take thermal images of properties over the winter months to identify heat loss through poorly insulated walls and lofts. These images are linked to a GPS reference to enable a team of surveyors to visit each property that requires insulation and show the residents their personalised thermal image. The surveyor will explain to the resident where heat loss is occurring in their property and provide insulation advice to rectify any issues.
- 3.3 If the resident agrees, a survey can be carried out and a quotation for insulation work can be submitted which will include any grant funding that may be available. The Mark Group, who is a parent company of Energy Saving Partnership, would then carry out the insulation work.
- 3.4 Energy Saving Partnership is seeking Cambridge City Councils endorsement of the scheme in the form of our logo to be used in joint promotion to increase the potential success. There will be no financial agreements between the organisations. In return Cambridge City Council will receive data on properties assisted, the publicity from a positive environmental project and most importantly help residents save money on energy bills and have warmer homes.
- 3.5 Key Benefits
- 3.5.1 This scheme will increase the uptake of grant assisted energy efficiency measures in Cambridge, and as a result:
- Enable residents to save money on their fuel bills.
 - Reduce the number of residents living in fuel poverty.
 - Reduce Cambridge City's carbon dioxide emissions
- 3.5.2 Local residents can take advantage of Carbon Emissions Reduction Target (CERT) funding while it is still available. CERT may offer a more cost effective solution than the proposed Greed Deal solutions, and with the Green Deal being introduced Autumn 2012 it is important residents make the most of CERT funding now.
- 3.5.3 The thermal images give residents a new opportunity to understand how heat loss occurs in their property and how to do something about it.
- 3.5.4 The surveys allow Cambridge City Council to access housing data that it has not had in the past. This data can be used for targeting current schemes but also for the future when we are expecting to take a strategic role to target the Green Deal.

3.5.5 A partnership with an installer means we know exactly where insulation measures have been installed and we can give residents greater confidence in the organisation that will carry out this work, especially if they know that City Council will be continually monitoring.

3.5.6 The project offers residential contact on a scale we could not provide alone at a time where we need to prepare ourselves for the Green Deal. This is provided at no cost to the local authority.

3.6 Energy Saving Partnership & Mark Group

3.6.1 Mark Group Ltd is the trading name for Energy Saving Partnership and the HeatSeekers project, however it is the Energy Saving Partnership that leads on the HeatSeekers thermal imaging and Mark Group that carries out the insulation work. This scheme has been delivered, or is currently being delivered in 68 local authorities within the UK.

3.6.2 Mark Group is a national company, with over 1,400 employees that can provide 'whole house' solutions to energy-efficiency. Founded in 1974, Mark Group has already helped to make more than two million homes more energy-efficient, currently installing around 6,000 insulation measures every week

3.6.3 The Mark Group holds membership and accreditations for a number of bodies. Those relevant to this project are:

- British Board of Agrément (BBA)
- National Insulation Association (NIA)
- Association for the Conservation of Energy
- Cavity Insulation Guarantee Agency (CIGA)
- BS EN ISO 9001 Quality Assurance
- Mark group has other memberships that are available on request.

3.6.4 Guarantees of work

- All Mark Group installing technicians are trained and certificated by the British Board of Agreement.
- Cavity wall insulation is covered by the 'CIGA' guarantee, which guarantees workmanship and materials for 25 years. (Mark Group applies for it on the resident's behalf and it will be sent to the resident direct from CIGA. It can take up to 8 weeks for this to be delivered after installation.)
- Loft insulation carries a statutory manufacturer's guarantee.

3.7 Safe Guarding

- 3.7 Through consultation with Cambridge City Councillors, officers, other Local Authorities, and external organisations we have tried to consider all possible risks and ways to protect both Cambridge residents and Cambridge City Council. The following work has been carried out:
- 3.7.1.1 Memorandum of Understanding – This document clearly states the roles played by each party and their responsibilities throughout the duration of the scheme. A draft document was provided by Energy Saving Partnership and has been reviewed and revised by Cambridge City Councils legal department. (see appendix i)
- 3.7.1.2 Introduction Letter (see appendix ii) – This letter will be sent to each household that it is deemed could benefit from further insulation. The letter introduces the scheme and what is on offer to the resident. The letter also informs the resident that they can opt out of a visit from a surveyor. Cambridge City Council’s legal department has reviewed this letter. Other safeguards incorporated in the letter include:
- Details of further City Council safeguards (e.g. Customer Service Centre contact and reference to frequently asked questions on our website)
 - Residents will be informed that there are other suppliers of insulation available and you may wish to seek alternative quotes.
 - The reverse of the letter will contain the offer of translation of the letter in a variety of languages.
- 3.7.1.3 Risk Assessment – A risk assessment has been carried out with all risks qualitatively assessed and mitigated. (see appendix iii)
- 3.7.1.4 Scheme Participation – A list of 68 local authorities were supplied to us by request to show who has participated in the scheme. (see appendix iv)
- 3.7.1.5 References – A variety of references were collected to obtain feedback about the scheme, the organisations involved and also the quality of work:
- Seven local authorities have been contacted. The feedback has been very positive on a number of areas. A few minor issues have been raised and example Memorandum of Understandings obtained to develop our own document.
 - As requested by the Executive Councillor for Housing we have also contacted resident associations where the scheme has taken place to obtain feedback. This feedback was particularly difficult to obtain, but where residents associations were aware of the scheme there were no negative issues.

- 3.7.1.6 Internet Check – An Internet search was conducted on the company names of Energy Saving Partnership, HeatSeekers and the Mark Group to discover any recorded malpractice, complaints and issues. A number of complaints were found, however the quantity is very low compared to the amount of work carried out. A negative news article was also found but the issues raised were dealt with effectively. See appendix v “Briefing to Councillors” for further feedback on this search.
- 3.7.1.7 Data Protection – There is a low risk that resident’s data could be used inappropriately, but this has to be considered as residents will be giving personal information to surveyors. The Memorandum of Understanding clearly states how the data will be used and residents will be made aware of this before any data is passed over. The Data Protection Act binds all organisations involved.
- 3.7.1.8 Procurement - Cambridge City Councils Procurement department have commented on the project and have said that “this is not a procurement project and thus the contract procedure rules or wider procurement legislation do not apply”. It was also recommended that we find out whether other companies could offer a similar service. We have contacted both the Energy Saving Trust and the National Insulation Association and both were not aware of another company offering this service.
- 3.7.1.9 Finance – Cambridge City Council’s Accounts department have carried out checks on the Mark Group and found them to be a solid company.
- 3.7.1.10 Customer Service Centre – Cambridge City Councils Customer Service Centre will have a role to play in managing enquiries about the scheme. Residents should have the option to contact Cambridge City Council to ask any questions and operators can refer to a frequently asked questions list. Residents can also contact the City Council to confirm the identity of the surveyor who will visit them.
- 3.7.1.11 Promotion – It is important that the scheme is clear to residents and from the start we are open about the relationship between the organisations and what is on offer. It will therefore be necessary to provide press releases and give residents the opportunity to come and view the thermal imaging equipment and ask questions. Further articles should also be produced for City Council and local media publications such as Cambridge Matters and Cambridge

News. All promotion has to be agreed between all parties prior to use.

4. Implications

(a) Financial Implications

- i) There is no financial agreement between Cambridge City Council and Energy Saving Partnership to deliver this project. The only financial implications that will occur will relate to any promotional work carried out by Cambridge City Council.
- ii) There is a low financial risk if work is carried out unsatisfactorily or there is an issue with the Mark Group, however the Memorandum of Understanding clearly states that Cambridge City Council will not accept any liability in this case.
- iii) Necessary financial checks have been carried out on the Mark Group company.

(b) Staffing Implications

- i) Officer time will be required to help deliver the project in Cambridge for promotional activity and review meetings. This time will be more significant at the start but should reduce after introduction. It is not expected to take up all of an officer's time. Other officers may be required for review meetings.
- ii) The Customer Service Centre will be required to answer enquiries from residents. Therefore a script will be provided to answer frequently asked questions.

(c) Equal Opportunities Implications

- i) A formal Equality Impact Assessment has not been carried out for this project. The internal guidelines for this assessment relate to policies and not specifically to projects. Nonetheless equality issues have been considered in detail.
- ii) An assessment has been carried out as part of a risk assessment (see appendix iii). This project does not discriminate in anyway as there are no exclusions as to who can receive energy efficiency improvements. Current Government set grant schemes for energy efficiency measures are favourable to those more vulnerable groups such as benefit recipients and the elderly. It therefore is

proactive in reducing fuel poverty, with significant grant funding also available for residents not classed as being vulnerable.

- iii) In the private rented sector tenants will need to seek permission from their landlord as currently required. However grant funding will still be available and the thermal image gives the tenant some evidence to show the landlord.
- iv) For Housing Association the work would need to be organised by the association, however the image could be used as evidence to justify a cold property.
- v) The back of the introductory letter will contain the offer of translation in a variety of languages, and if required a translator can be made available for a surveyors visit.
- vi) Finally, if further assistance is required then current Cambridge City Council services can be provided. For example, this may be through Housing Standards in cases where there are cold properties within the private rented sector. This assistance may also be provided by the Home Energy Officer where vulnerable residents need guidance through the process.

(d) **Environmental Implications**

- i) This project has a +H climate change rating as it will assist residents to reduce energy consumption and could also raise awareness of renewable energy options.

(e) **Consultation**

- i) A community consultation has not taken place as part of this review. However we have widely consulted other groups to develop the project and seek guidance.
- ii) We have briefed all Councillors on the proposals and we have had an open discussion with interested Councillors to address any possible concerns. All items of concern that were raised have been addressed and are included within this report.
- iii) We have been in regular contact with officers from the Legal, Finance and Procurement Departments of Cambridge City Council to seek their guidance on the project and documentation.

- iv) We have consulted the Energy Saving Trust and the Insulation Association to discover whether a similar scheme is available from alternative companies.
- v) We have spoken to and obtained references from seven local authorities that have also carried out this project to learn from their experiences. Generally the feedback was positive and we had some advice to feed into our scheme.
- vi) Resident associations were contacted for feedback where projects have been run in other districts. It has proved difficult to obtain feedback in these cases, but there were no complaints from those spoken to.

(f) **Community Safety**

- i) A risk assessment has been carried out for this scheme with all risks qualitatively assessed and mitigated. This assessment covers all areas of risk surrounding the project. (see appendix iii)
- ii) There is a potential safety risk to residents with individuals visiting properties. However, we believe this risk is low as we believe Mark Group are a reputable company with experience of dealing with this process. Residents have the option to opt out of the scheme at any time. A letter will be sent prior to the first visit to clarify authenticity of the scheme and to provide an opportunity to opt out.
- iii) Mark Group will make known the identity of their surveyors to Cambridge City Council. Residents will be able to contact the Customer Service Centre to confirm the identity of any person visiting their property as part of this scheme. All Mark Group surveyors will carry photographic ID.
- iv) The image taken is a thermal image that shows the heat loss of the property, it is not a photographic image and no identification of people or property can be made from the image.
- v) The project raises data protection issues, as residents will be giving over personal data to a private company. Any information given remains confidential between the Council and HeatSeekers under the Data Protection Act with information given to the City Council requiring resident's consent first.
- vi) The Memorandum of Understanding clearly states the roles and responsibilities of Cambridge City Council, Energy Saving Partnership and the Mark Group. If there is any deviation from this,

this will be discussed and Cambridge City's Councils support of the scheme may be removed.

- vii) Energy Saving Partnership and Mark Group will ensure all staff communicating with residents do not apply pressure. Any complaints that are perceived to be 'hard selling' on behalf of the Energy Saving Partnership or Mark Group will be investigated further and discussed with the Energy Saving Partnership. If an agreement cannot be reached or the issues remain Cambridge City Council will ask Energy Saving Partnership to remove any references of support from any literature or conversations with residents.
- viii) Vulnerable or low income residents will not be pressurised to invest in the scheme. Due to the way the funding is structured the greatest financial assistance will be available to these groups with many entitled for the work to be carried out at little or no cost to the resident. However even in this case it is up to the resident to give authorisation for the work to be carried out and no pressure will be applied. If pressure is applied then the agreement between the organisations will be reviewed as per section 4f, vii) of this document.
- ix) An Internet search was conducted on HeatSeekers, Energy Saving Partnership and Mark Group. While complaints were found, the level of these complaints and quantity were not felt to be of concern given the very high number of installations carried out. See appendix v
- x) The Mark Group are members of the relevant industry associations and are fully qualified to carry out the work described.

5. Background papers

6. Appendices

Please note: The Memorandum of Understanding and Introduction Letter are still draft documents as Energy Saving Partnership has to approve the amendments submitted from our Legal Department. Any further amendments to these documents will be at the agreement of Cambridge City Councils Legal Department and the Executive Councillor for Housing.

- i) Draft Memorandum of Understanding
- ii) Draft Introduction Letter
- iii) Risk Assessment

- iv) List of Authorities
- v) Briefing to Councillors, dated 20th July 2011
- vi) HeatSeekers patent

7. Inspection of papers

To inspect the background papers or if you have a query on the report please contact:

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