



---

**AGENDA FOR THE ENVIRONMENT AND REGENERATION SCRUTINY COMMITTEE**

---

Members of the Environment and Regeneration Scrutiny Committee are summoned to a meeting, which will be held in Committee Room 1, Town Hall, Upper Street, N1 2UD on **14 July 2015 at 7.30 pm.**

**John Lynch**  
**Head of Democratic Services**

Enquiries to : Zoe Crane  
Tel : 020 7527 3044  
E-mail : [democracy@islington.gov.uk](mailto:democracy@islington.gov.uk)  
Despatched : 6 July 2015

Membership

Councillor James Court (Chair)  
Councillor Diarmaid Ward (Vice-Chair)  
Councillor Theresa Debono  
Councillor Gary Doolan  
Councillor Mouna Hamitouche MBE  
Councillor Gary Heather  
Councillor Clare Jeapes  
Councillor Caroline Russell  
Councillor Marian Spall

Substitute Members

Councillor Alex Diner  
Councillor Jenny Kay  
Councillor Alice Perry  
Councillor Dave Poyser

**Quorum is 4 members of the Sub-Committee**



<b>A. Formal Matters</b>	<b>Pages</b>
1. Apologies for Absence	
2. Declarations of Substitute Members	
3. Declarations of Interest	

If you have a **Disclosable Pecuniary Interest\*** in an item of business:

- if it is not yet on the council's register, you **must** declare both the existence and details of it at the start of the meeting or when it becomes apparent;
- you may **choose** to declare a Disclosable Pecuniary Interest that is already in the register in the interests of openness and transparency.

In both the above cases, you **must** leave the room without participating in discussion of the item.

If you have a **personal** interest in an item of business **and** you intend to speak or vote on the item you **must** declare both the existence and details of it at the start of the meeting or when it becomes apparent but you **may** participate in the discussion and vote on the item.

**\*(a) Employment, etc** - Any employment, office, trade, profession or vocation carried on for profit or gain.

**(b) Sponsorship** - Any payment or other financial benefit in respect of your expenses in carrying out duties as a member, or of your election; including from a trade union.

**(c) Contracts** - Any current contract for goods, services or works, between you or your partner (or a body in which one of you has a beneficial interest) and the council.

**(d) Land** - Any beneficial interest in land which is within the council's area.

**(e) Licences**- Any licence to occupy land in the council's area for a month or longer.

**(f) Corporate tenancies** - Any tenancy between the council and a body in which you or your partner have a beneficial interest.

**(g) Securities** - Any beneficial interest in securities of a body which has a place of business or land in the council's area, if the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body or of any one class of its issued share capital.

This applies to **all** members present at the meeting.

4. Minutes of Previous Meeting	1 - 4
5. Public Questions	
6. Chair's Report	
<b>B. Items for Decision/Discussion</b>	<b>Pages</b>
1. Quietways Consultation	5 - 14

- |    |   |         |
|----|---|---------|
| 2. | Communal Heating Scrutiny Review - The EU Energy Efficiency Directive and Heat Metering | 15 - 18 |
| 3. | Work Programme  | 19 - 20 |

**C. Urgent non-exempt items (if any)**

Any non-exempt items which the Chair agrees should be considered urgent by reason of special circumstances. The reasons for urgency will be agreed by the Chair and recorded in the minutes.

**D. Exclusion of press and public**

To consider whether, in view of the nature of the remaining items on the agenda, it is likely to involve the disclosure of exempt or confidential information within the terms of the Access to Information Procedure Rules in the Constitution and, if so, whether to exclude the press and public during discussion thereof.

**E. Confidential/exempt items**

**Pages**

**F. Urgent exempt items (if any)**

Any exempt items which the Chair agrees should be considered urgently by reason of special circumstances. The reasons for urgency will be agreed by the Chair and recorded in the minutes.

This page is intentionally left blank

London Borough of Islington

## Environment and Regeneration Scrutiny Committee - 15 June 2015

Minutes of the meeting of the Environment and Regeneration Scrutiny Committee held at Committee Room 4, Town Hall, Upper Street, N1 2UD on 15 June 2015 at 7.30 pm.

**Present:**           **Councillors:**           Court (Chair), Ward (Vice-Chair), Debono, Hamitouche, Heather, Jeapes, Russell and Spall

### Councillor James Court in the Chair

**82**           **APOLOGIES FOR ABSENCE (Item A1)**

There were no apologies for absence.

**83**           **DECLARATIONS OF SUBSTITUTE MEMBERS (Item A2)**

There were no declarations of substitute members.

**84**           **DECLARATIONS OF INTEREST (Item A3)**

There were no declarations of interest.

**85**           **MINUTES OF PREVIOUS MEETING (Item A4)**

- A member commented that there would be cost efficiencies if Islington became part of the ultra low emission zone due to neighbouring boroughs being in the zone.
- A member asked officers for more information on the Silver-gilt in London in Bloom that had been achieved by Islington. Officers confirmed that in the past council resources had been used. However this time, the community had worked together to achieve the award.
- A member asked when the findings of the solar panels on council buildings task and finish group would be submitted to the committee and was advised that this should be ready by the next meeting.

**RESOLVED:**

That the minutes of the Environment and Regeneration Scrutiny Committee meeting on 12 May 2015 be confirmed as an accurate record of proceedings and the Chair be authorised to sign them.

**86**           **PUBLIC QUESTIONS (Item A5)**

A member of the public queried the lack of parking spaces on St John's Way. Officers confirmed that Controlled Parking Zones (CPZ) would be reviewed and that officers would look into this specific concern.

**87**           **CHAIR'S REPORT (Item A6)**

There was no chair's report.

**88**           **COMMUNAL HEATING WITNESS EVIDENCE - JONATHAN GRAHAM, ASSOCIATION FOR DECENTRALISED ENERGY (Item B1)**

Jonathan Graham, Head of Policy at the Association for Decentralised Energy (ADE) gave a presentation on District Heating and Heat Consumers.

In the presentation and discussion, the following points were made:

- The ADE vision was “for an energy system that was dictated by the consumers needs rather than one that dictated to them, creating a more local, efficient and less costly energy system”.
- The following services were delivered: - Combined heat and power; district heating and cooling; and demand side services.
- The ADE had more than 90 members which included local authorities, housing associations, university campuses, industrial manufacturers and energy suppliers and it was funded by members.
- District heating was common in other European countries. It was most common in Scandinavia, Germany and Sweden.
- There were currently 405,000 dwellings in the UK with district heating and 4% of heat demand was met by district heating schemes. There was a Government ambition to grow district heating to meet 14% of heat demand by 2030, where suitable. However district heat not the right solution in all places. It worked best in urban areas with high density.
- There were 50,000 dwellings on modern district heating schemes and new build and retrofit planned projects would provide district heating to a further 50,000-60,000 dwellings.
- 377,000 dwellings had been put on district heating systems as a result of block heating refurbishment. This equated to 2% of dwellings.
- There was potential for 3-8million dwellings to have district heating.
- District heating was growing at about 10% per year. There was much investment in London through the London Plan and ECO delivery.
- 32 university schemes had been completed and 17 more were planned. 64 hospital schemes had been completed with a further 20 schemes possible.
- Local authority led development required authorities to undertake energy master planning, address planning requirements, conduct brokering, procuring, operating and owning heat networks and direct ECO funding.
- Emerging schemes included Leicester City Council, Newport City Homes Limited, Manchester – Media City, Newcastle - Riverside Dean, Stoke and Association of Greater Manchester Authorities.
- London schemes included Olympic Park and Stratford City, Southwark SELCHP, Guildhall, Bastion House and London Central Markets, Pimlico District Heating, Bloomsbury Heat & Power, Kings Cross, Barkantine Heat and Power, Greenwich Millennium Village, Shoreditch and Bunhill in Islington.
- Established schemes with growth potential included Birmingham, Nottingham, Shetland Heat, Energy and Power, Southampton City Council, Woking, Sheffield, Milton Keynes and Aberdeen Heat & Power.
- Benefits of district heat included being able to access a wider range of heat generation technologies, being able to generate heat more efficiently, lower energy costs, reduce labour and maintenance costs as well as CO2 emissions. It also helped to tackle fuel poverty and cold homes.
- Challenges included high heat network losses which added to costs and could cause overheating, systems not being designed to exploit value from CHP electricity sales, capital cost cutting (‘value engineering’) resulted in higher running costs, there could be poor communication between contractors, district heat suppliers and building managers/network operators and a lack of transparency between network operators and customers.
- The Heat Network Code of Practice set minimum technical standards and obligations for all parts of the supply chain. Training and accreditation schemes were planned. The Department of Energy and Climate Change supported this programme with grant funding.

## **Environment and Regeneration Scrutiny Committee - 15 June 2015**

- The Heat Metering and Billing Regulations required building level meters to be installed by the end of 2016. Meter visibility and accuracy was required and bills would have to be linked to usage. Members raised concern that the regulations could present a challenge as tenants' charges were currently pooled.
- The Heat Trust was a voluntary scheme designed to ensure customers received a comparable level of standard as on gas or electricity services. It was open to all customers with direct relationships with the heat supplier. The initial scheme might not be compatible with housing association or local authority schemes if heat was not sold directly to customers. The scheme would be launched in September 2015.
- Gas unit costs were not the same as heat unit costs. A true comparison had to include not just the unit cost of gas but also the gas standing charge, boiler maintenance costs and boiler replacement costs.
- A new heat cost comparator provided an online resource for customers.
- Ways to ensure high quality district heating included setting minimum design standards set by the Code of Practice, ensuring technical expertise in planning and using the Heat Trust, where appropriate. Any planning measures should aim to apply to all technologies. These measures should help provide residents with the highest quality housing and heating.
- The council regularly applied for ECO funding. It had recently been used for the Holly Park Estate solid wall insulation.
- Recent research found that installing individual heating controls did not reduce demand.

### **RESOLVED:**

- 1) That the evidence be noted.
- 2) That the committee would consider the Heat Trust and code of practice at a future meeting.

## **89 ENVIRONMENT AND REGENERATION SCRUTINY COMMITTEE ARRANGEMENTS AND TERMS OF REFERENCE (Item B2)**

### **RESOLVED:**

That the membership appointed by Annual Council on 14 May 2015 and the terms of reference and working arrangements be noted.

## **90 SCRUTINY TOPICS - 2015/16 (Item B3)**

It was suggested that the following work be undertaken:

- A scrutiny review could take place into smart cities, looking at how the use of technology could improve areas such as recycling and parking.
- Consideration of the consultation process for Quietways should be scheduled prior to the consultation taking place. A representative from Waltham Forest could be asked to attend.
- CCTV on estates could be considered. Officers confirmed that the cameras on estates were linked to the council's CCTV. Housing was responsible for camera upgrades and there was a programme for this.
- A session on recycling could be arranged after the recycling pilot had taken place.
- Councillor Murray could be invited to attend a meeting once the Community Infrastructure Levy had been introduced to speak on how this would be apportioned.

### **RESOLVED:**

## **Environment and Regeneration Scrutiny Committee - 15 June 2015**

That subject to approval by the Policy and Performance Scrutiny Committee, a scrutiny review be conducted into Smart Cities and that sessions be arranged on the consultation process for Quietways, recycling, CCTV on estates and the Community Infrastructure Levy.

The meeting ended at 8.55 pm

**CHAIR**



## **Briefing Note – Consultation in Transportation Team**

### **Quietway 2 - (Route 3 of the Cycle Grid)**

#### **Background:**

As part of a cost saving exercise some 5 years ago within Public Realm, the Traffic & Engineering Service looked to save money by reducing the costs of consultation. This corresponded with a move to web based consultation, which resulted in drastically reduced costs for a similar response rate, of between 9% to 12%. This range is considered quite typical nationwide.

Prior to this time detailed A4 gatefold documents identifying the consultation details would be posted to all those properties within a consultation area. These would have appropriate return slips which could be detached and posted back with the response. These were expensive to produce and could cost approx. 50p each.

A greater response rate was preferred by Members to give assurance of the public opinion before making a decision. To assist in getting response rates of over 25% Council Officers would undertake a “door-knocking” exercise of those properties that had not responded to the consultation to gather opinion. This was time intensive and further added to the cost as was generally passed to external consultants.

#### **Current Consultation Process:**

As mentioned, the Traffic & Parking Service moved to a web-based consultation as a cost saving exercise. This still involves the postage of a leaflet to properties in the consultation area to inform residents/businesses there is a consultation in progress. However this takes the form of a simple A5 card with text on one side directing the consultee to the web page. It will identify the web link and may also include a QRL code.

The Traffic & Parking Service uses Survey Monkey for its web-based consultation. We are able to construct appropriate text to identify the scheme with tick box question and answers, plus space for general comment. Survey Monkey then offers the facility to download the responses in Excel format for review.

Again as mentioned, our experience it is normal to get around 9% to 12% response to a consultation that is posted out. This is considered to be the norm.

Survey Monkey has a facility to upload drawings however they have to be small drawing files (i.e. low resolution). This is fine for simple schemes, for instance maybe a zebra crossing. However for a scheme such as the Quietway consultation this was problematic. With 25 detailed drawings associated with the scheme we could not put them on survey Monkey. Therefore we opted to use the Council Website with a link to Survey Monkey.

The recent Quietway consultation followed our standard procedure in that we posted A5 notifications to local premises within the consultation area (over 14000) and collected responses via Survey Monkey. These cost £900 to print and £675 to deliver. However because of the number of detailed drawings associated with the scheme, these could not be

loaded on to Survey Monkey, so were placed on the appropriate Cycle Grid/ Quietway web page with a link to Survey Monkey through which comment could be made. The consultee basically needed to click between the web based drawing and survey monkey to review and place comment. Through this procedure we received 200 responses (just over 1%).

Officers considered this to be too low to offer as a response rate so took the decision to print more elaborate documents which were also delivered to all properties in the consultation area. This boosted the response rate to almost 600 about 4%. At a further cost of £1800 to print and deliver.

The consultation responses are still being reviewed but it is likely that despite the low response rate will be looking to recommend the scheme be implemented.

### **Waltham Forrest:**

The Waltham Forrest Mini- Holland scheme is a £30M scheme looking to transform areas of Waltham Forrest to provide more cycle friendly streets. The quantity of funding has allowed Waltham Forrest to offer wholesale change to streets including streetscape design. In this instance the early interaction with residents and stakeholders, to understand their vision for their streets was an ideal use of the Commonplace web based system, to gather and share that information. Considering the available funding the cost of this stakeholder engagement was less significant.

### **Financial Implications:**

The Council has, to reduce scheme admin costs, reduced its spend on consultation exercises. Currently the consultation process for schemes such as the Quietway is providing reasonable response rates for minimum cost. There are insufficient Council resources within the Transportation Team to provide any increased administration for consultations so it should be noted that any such changes would be outsourced to appropriate consultants.

### **Conclusion:**

To provide a more interactive consultation experience for future Quietway schemes (similar to that provided for the Waltham Forrest Mini-Holland) Council Officers have already been in touch with Commonplace to establish what they could provide for the scheme and at what cost. The attached estimate has been provided and officers are investigating what benefits the increased cost would provide. Furthermore appropriate funding would need to be sought from the scheme sponsor, TfL.

Note - Accompanying document – Commonplace estimate for web based consultation.

**Report author: Paul Taylor – Transport Engineering Manager**

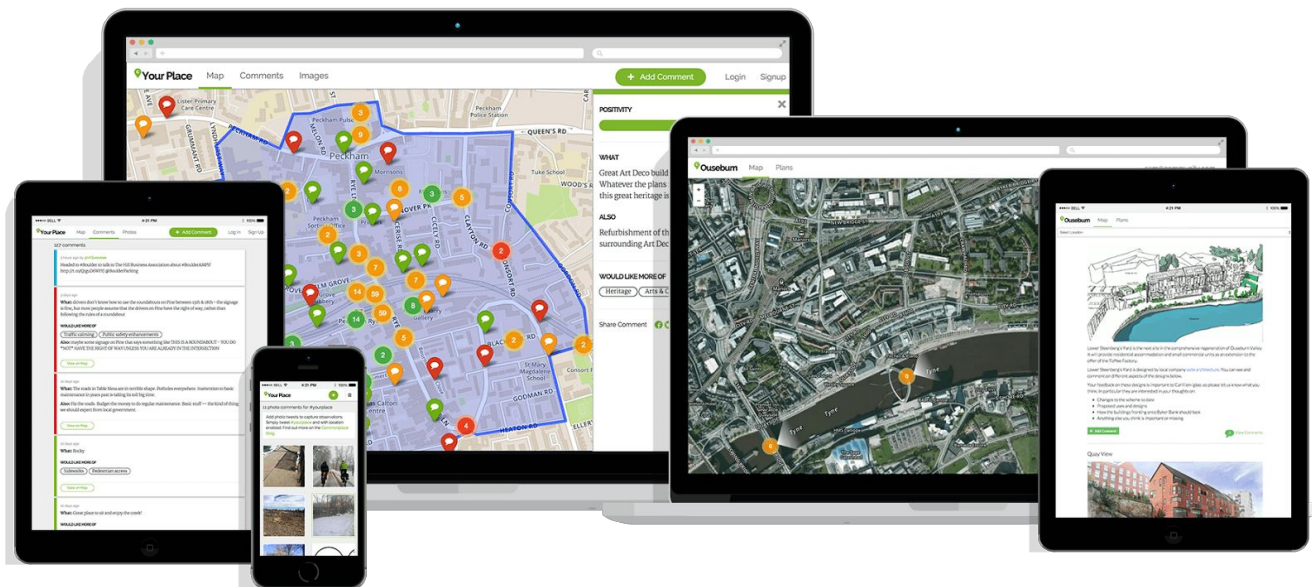
**Tel: 020 7527 8038**

**E-mail: paul.taylor@islington.gov.uk**

# Commonplace proposal for Islington Council: Canonbury & Quietway

A new way to engage residents and gain collaborative insight

June 2015



“A Gold Standard in community engagement” – Tower Hamlets Council

# Commonplace introduction

Commonplace is a collaborative insight platform for cities. It isn't like other consultation tools. It is engaging, insightful and very easy to use. Most importantly, it reaches people who would otherwise not engage - who tend to have more open minds, and are balanced and constructive in their opinions about new plans.

There is no large upfront investment - you pay for what you use. It is designed to be used across any or all your engagement requirements. If you are running multiple projects, it also provides you with one consolidated dashboard of metrics, and the ability to analyse themes and trends across projects.

Commonplace tools improve the way a community engages with public realm plans by increasing trust, reducing costs, and creating a constructive engagement with mutual benefits for city and community.

## Proposal summary

Following a number of discussions with the Islington Public Realm team, this document proposes Commonplace solutions for two Public Realm projects suggested by Paul Taylor and Bram Kainth:

- Consultation on proposed Canonbury Road pedestrian facilities. This will act as a Proof of Concept for potential further use of Commonplace on other public realm projects.
- Quietway proposals including modal filtering. There are two potential phases to this project: a) gathering & analysing the needs and opinions of people about the current route; and b) gathering & analysing responses to new plans for the route.

These proposals are described in greater detail in the following sections.

Benefits to the Public Realm team of using Commonplace on these projects include the following. We have included examples of how these benefits have been realised for Waltham Forest:

- Reducing the costs of consultation by automating collection and analysis of data
- Increasing trust and constructive collaboration from within the community
- Hearing a more representative and balanced set of views about proposals
- Real-time interpretation of data from the community
- Automation of reporting for use in statements of public involvement, showing evidence of need
- Reviewing Commonplace as a tool for other potential public realm projects

**Contact:** Mike Saunders, CEO

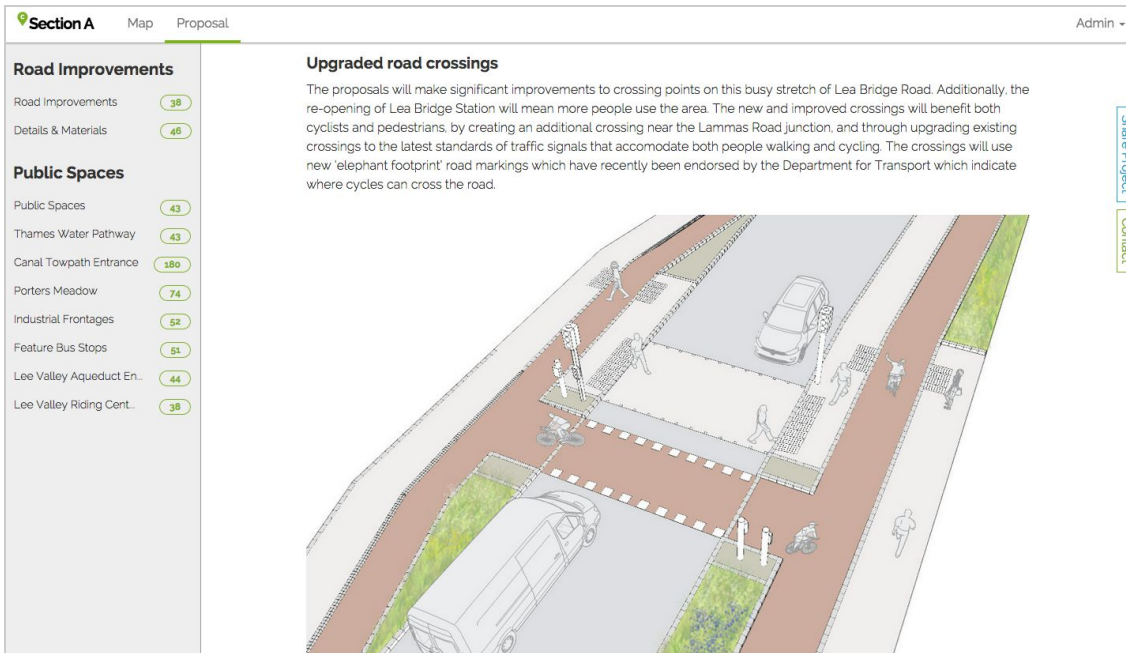
Email: [mike@commonplace.is](mailto:mike@commonplace.is) Phone: 07957 420 515

---

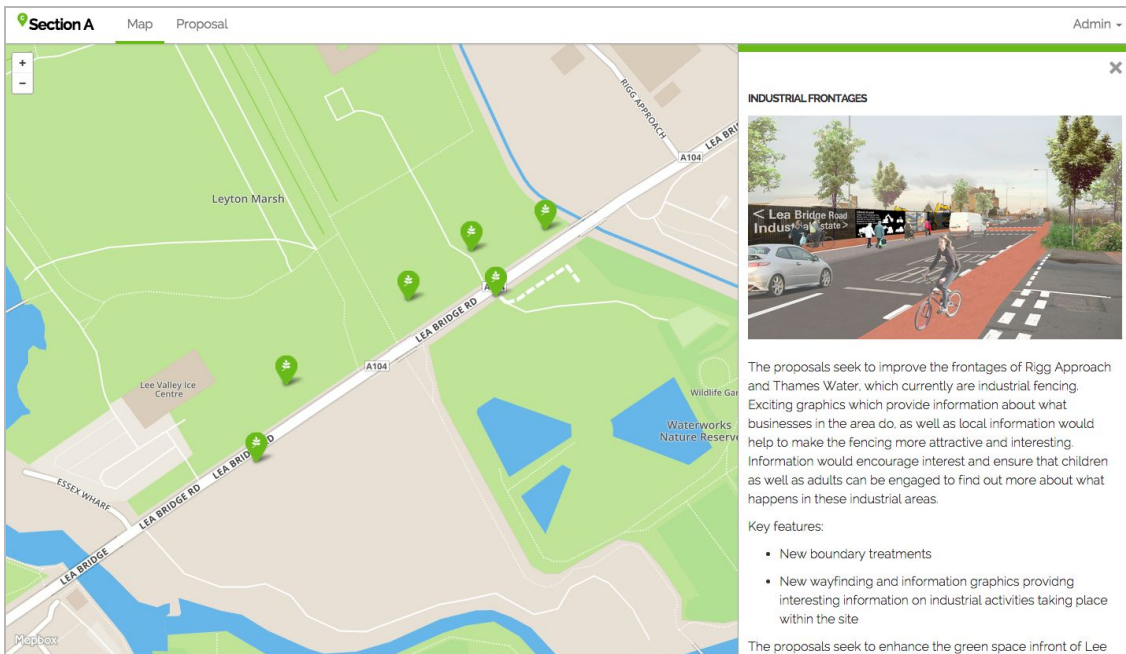
*“Commonplace has been a fantastic tool for the CoDesign Peckham project. It provided a prominent emphasis of the project’s openness and transparency, helping to drive other engagement activities and creating a credible evidence base.”*

**Alistair Huggett, Southwark Council**

# 1. Canonbury Road pedestrian scheme



We propose using the Commonplace Design Feedback tool (shown above) to publish the plans for the Canonbury scheme, and collect responses from local residents, businesses and other stakeholders. The screenshot shows a similar proposal as part of the Waltham Forest Mini Holland programme.



The map view shows the scheme in context of the local area. Residents simply navigate to the section of the proposal they are interested in, and leave a comment saying how positive they feel, why, and what anything else they'd like to add (including potential improvements). Residents can click through to see comments that others have left against each section of the proposal.

Setting up the Design Feedback site is simple - we provide a template for you to add image and text content.

## Extending use of the platform

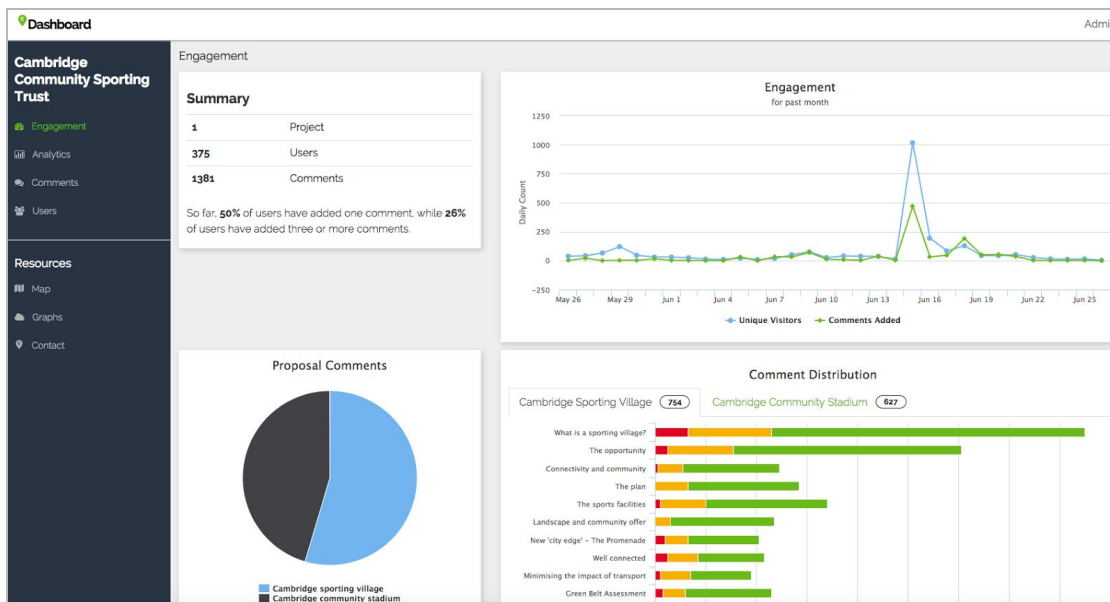
We have several additional features that help you use Commonplace across different aspects of the project:

- A 'survey mode' version of the site, which can be used on iPads or other tablets to conduct face-to-face interviews, or to collect data at public events.
- An auto-created paper version of the survey that can be used in a situation where there is no technology available (e.g. public meeting). The forms are designed to be uploaded to Commonplace very quickly after the event.



Survey mode in use in Waltham Forest.

## Dashboard summary



The online dashboard is only visible by users with admin accounts, and provides a real-time summary of comments, users and themes. You have access to an unlimited number of admin accounts for you. You can also download the entire set of comments, and we have a standard format printed report.

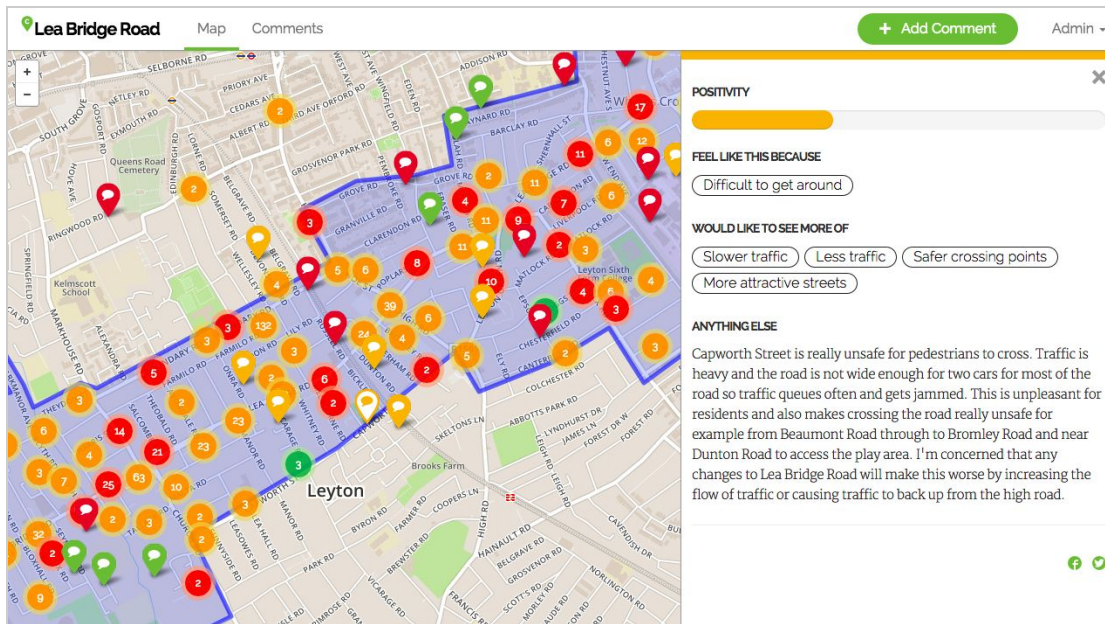
## 2. Quietway

We propose Commonplace on the Quietway project in an identical way to Mini Holland in Waltham Forest. This was a two-phase project:

- Phase 1: public perception surveys using Commonplace Needs Analysis tool
- Phase 2: design consultation using Commonplace Design Feedback tool

We have included a section outlining the benefits of Commonplace realised by Waltham Forest.

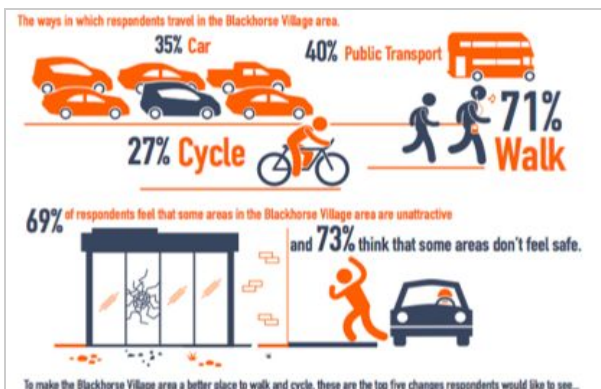
Phase 1 - public perception survey using the Needs Analysis tool



The Needs Analysis tool encourages people to submit comments from their phones or computers, about the route as it currently exists. The example above the Needs Analysis tool for Lea Bridge Road. Although this survey has now finished, you can still see all the comments at <http://leabridgeroad.commonplace.is>

The Need Analysis tool can be setup in a matter of hours, and can immediately start collecting data. It is ideal for use alongside the research phase of a project because it:

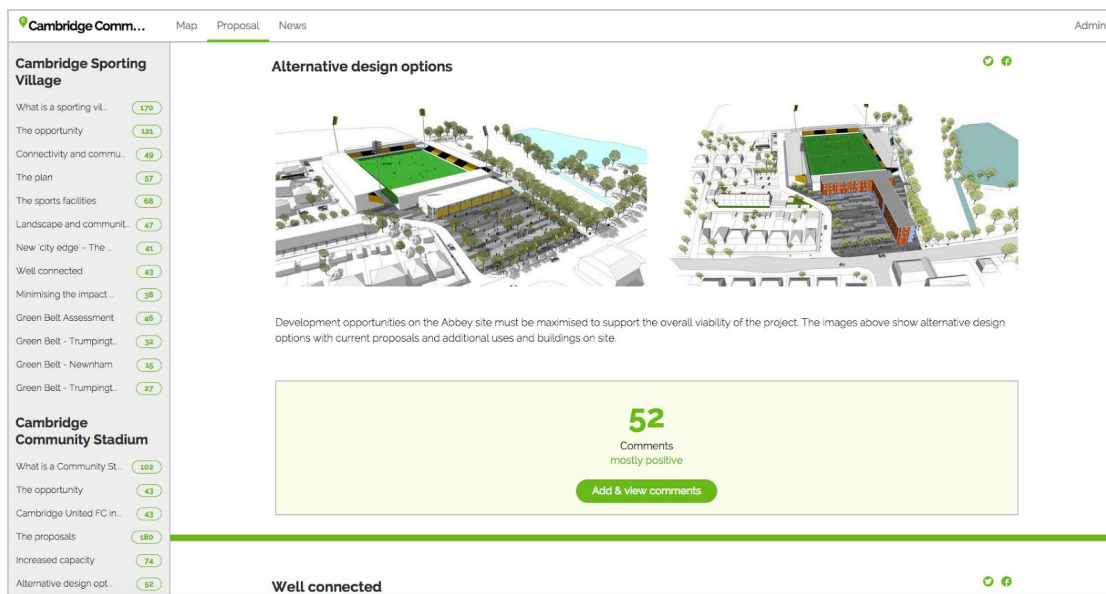
- starts engagement with the community early, and sends out a clear message of trust
- gathers extremely valuable data about public opinion and about needs to inform the design process
- fills what is sometimes otherwise a destructive vacuum of information
- creates an evidence base of need that is part of the overall public engagement



Data from the Waltham Forest project has been used to inform their designs, and has also been used to present back progress to the community via 'infographics' of the data (see inset left).

The outcome of this project has been extremely successful - with the deputy leader using the dashboard to regularly check progress, and over 1300 comments collected from the community and local businesses.

## Phase 2 - design consultation using the Design Feedback tool



The design consultation phase would use the same Design Feedback tool proposed for the Canonbury Road project. The main difference to Canonbury Road will be a larger number of proposal elements being put forward for this project. Commonplace is flexible enough to accommodate a large number of proposal elements as shown in the [Cambridge Community Sporting Village](#) site (above).

The main features of the Design Feedback tool are:

- Consultation microsite – including news and background sections – no need for separate website
- Iterative engagement – publish plans many times during engagement showing response to comments
- Map view – show where new proposals are located
- Online exhibition – collect data from events using the same content as that for public exhibitions
- Consolidate feedback – you can use this tool in survey mode at events and exhibitions too
- Before & after views – demonstrate what particular view look like before & after the development
- News section – publish updates to the microsite news section

## Benefits realised by Waltham Forest

Waltham Forest have realised the following benefits of using Commonplace on their Mini Holland project:

- Cost savings on surveys. If done by hand there would have been greater costs associated with delivering the surveys, digitising the responses and analysing the data
- Cost savings through reduced fire-fighting. They have had to spend less time firefighting PR and pressure group issues because there is a greater degree of trust by the community when using Commonplace
- Increased transparency for senior management & politicians. The deputy leader has regularly used the dashboard and KPIs to monitor progress
- Increased engagement. There have been excellent response rates across all the Mini Holland projects



- More balanced discussion about proposals. Responses and discussions on Commonplace have been much more balanced than previous campaign-led responses
- Development of user base over time. One big advantage of using Commonplace across these phases is that you will start to build up a user-base in phase 1, so that you have a group of engaged, pre-registered users ready for the launch of phase 2

---

*“Commonplace is proving to be a very constructive tool in engaging residents and businesses, and easily understanding their needs.”*

**Iain Killingbeck, Waltham Forest Council**

## Promotion

Promotion to the community is important for projects to gain maximum traction and engagement. We will provide free basic advice and guidelines on how to optimise this for the projects. We can also offer consultancy at an additional day rate.

Commonplace tools come with features to help promotion - such as social media integration, an optional news section on each site, and the collection of user email addresses via the registration process.

## Timetable

Commonplace can set up the website as described above to be ready for your signoff within five working days of receiving the content materials from you.

## Cost

Costs for the two proposals are outlined below.

### 1. Canonbury Road Proof of Concept

We have agreed to conduct this project as a proof-of-concept, for which we will charge a nominal licence fee that covers direct costs only. This heavily discounted proof-of-concept cost is **£1,500 + VAT**, which includes setup, support and hosting of the Commonplace Design Feedback tool for the project.

### 2. Quietway

There are two licences required for this project. If both licences are bought together, then we offer a special 25% discount across both. We offer larger discounts when further licences are bought together. For large bulk purchases, this can reach 50%. We also offer a sliding scale of discounts for further licences bought within 12 months.

	List price for licence (if bought separately)	Special discounted licence if both bought
Needs Analysis tool	£5,000	£3,750
Design Feedback tool	£8,000	£6,000

Costs quoted are exclusive of VAT, and each licence is valid for up to 12 months.

Additional consultancy services are available on request - covering design, promotion and copy writing.

## Frequently Asked Questions

### ***What devices does Commonplace work on?***

Commonplace will work on almost any web-enabled device - PC, smartphone or tablet.

### ***Will I need special hardware or software?***

No - Commonplace is a web application, supplied as "Software as a Service" You pay for a User's Licence and access Commonplace through a standard web browser.

### ***What if residents are not on-line?***

Commonplace can be used by your team conduct surveys through interviews, or by handing round tablets to residents at meetings. You can even lay out Commonplace on paper and bring together data inputted on-line and manually seamlessly in one database.

### ***Can my team use it for surveys?***

Absolutely, and your specific survey about a locality can be augmented with general questions about how satisfied residents are in their estate or neighbourhood.

### ***Is it an evaluation tool?***

It can be. If you ask residents what they "like" and what they "dislike" about an area or feature of their locality before investing, you can then come back with the same questions and track the shifts in sentiment. You won't need to reconfigure Commonplace - all responses are time-coded, you just need to compare responses from different periods.

### ***How long does it take to set up?***

A standard set-up involves the Commonplace team working with you to understand requirements. You then provide materials for the Commonplace web site - a map, specific questions, introductory text and pictures. Once these have been received, setup takes up to ten working days.

### ***Who is behind Commonplace?***

Commonplace is a London-based startup that has been developing its platform for the past 18 months. It has delivered close to 40 sites in the past year and in Summer 2014 secured a first round of private investment. Commonplace is winner of Big Venture Challenge for social enterprises 2014, and received support from Bethnal Green Ventures and NESTA.

### ***What do other customers say?***

*'Commonplace has provided excellent value by engaging directly with the community and supporting our stakeholders and public consultation strategy for the project. This gave us new insights and evidence to support our design process and planning application. Their modus operandi, which involves being very attuned to the client's and project needs, being engaged at all stages and closely collaborating with other consultants, has provided particularly successful.'*

**Silvia Lazzerini, Grosvenor**

*"We highly recommend Commonplace - it is simple to use, effective and a very positive experience."*

**Matthew Buckham, Community Investment Manager, Wandle**



Housing & Adult Social Services  
338-346 Goswell Road  
London EC1V 7LQ

Report of: **Maxine Holdsworth, Service Director, Housing Needs and Strategy**

Meeting of:	Date	Ward(s)
Environment and Regeneration Scrutiny	14/07/15	All
Delete as appropriate	Exempt	

### **SUBJECT: THE EU ENERGY EFFICIENCY DIRECTIVE AND HEAT METERING**

#### **1. Synopsis**

- 1.1 This report sets out the implications of the 2014 EU Energy Efficiency Directive for Islington's Housing Service including the need to procure a heat metering supplier and operator.

#### **2. Recommendations**

- 2.1 That Scrutiny Committee note the implications of the 2014 EU energy Efficiency directive for Islington's housing service.

### 3. Background

#### 3.1 The EU Energy Efficiency Directive

3.1.1 The EU Energy Efficiency Directive ('the Directive') came into effect in Autumn 2013. It includes Directions on heat metering in communal and district heating systems with the aim of giving consumers better control over the heat they consume – so that overall consumption and hence carbon emissions are reduced. Implementation of the Directive is mandatory for EU countries. The Directive has been interpreted by the Department of Energy and Climate Change (DECC) following a consultation process (to which Islington responded). DECC published their response in November 2014 and the resultant regulations ('the Regulations') came into effect in December 2014.

3.1.2 DECC's Regulations apply to District and Communal heating systems differently. District heating systems have one boiler house serving more than one block. In communal heating systems one boiler serves one block. The council has sixteen unmetered district heating systems, thirty three unmetered communal heating systems, and two metered district heating systems.

3.1.3 Under the Regulations it is mandatory for heat network operators (such as Islington Council) to install heat meters in the following circumstances:

- Building level heat meters in all buildings served by district heating systems
- Individual heat meters where a building served by a district heating system undergoes major renovation<sup>1</sup> that includes the renovation of the technical services of the building
- Individual heat meters in all properties served by district or communal heating systems where technically and economically viable.
- Individual heat meters in any new building served by a district heating system.

3.1.4 The Regulations also introduce increased requirements to ensure the accuracy of all individual heat meters. The council has two individually-metered estates: Delhi Outram and Aubert Court. These meters have not been calibrated since they were installed (in 2001 and 1996 respectively) and therefore would not be compliant with the regulations. Under the Regulations the expected lifespan of an individual heat meter is ten years and the council would be required to ensure its individual heat meters were working effectively.

3.1.5 The implications of the Regulations for Islington are summarised in the table below. The costs are estimations from the DECC guidance on the Regulations. Actual costs may differ depending on the complexity of the installations.

Regulation	Impact for Islington	Estimated Cost
Requirement to install building level meters in all buildings served by district heating systems.	Installation of 101 building level meters by December '16.	£2,500 per meter, £252,500 in total
Requirement to install individual heat meters as part of 'major renovation' of district heating systems.	Unlikely to be required to install individual heat meters as part of major renovation. This is because the trigger of spend including the technical services of the building	£0, but all CIP schemes to be checked against the table at appendix A to ensure spend does not exceed the trigger to require individual heat meters. If the trigger was

<sup>1</sup> Major renovation is defined as the renovation of a building where the total cost of the renovation relating to the building envelope or the technical building systems is higher than 25% of the value of the building, excluding the value of the land upon which the building is situated.

	greater than one quarter of the building's value (excluding land) is unlikely to be met. The estimated spend trigger for each of the council's district heating systems is shown at appendix A.	met, cost would be £450 per unit. Total risk is £1.2m
Requirement (irrespective of major renovation) to install individual meters to all properties served by communal or district heating systems where technically and economically viable.	DECC have produced a tool to test whether it is technically and economically viable to install meters. This model has been tested on a number of our systems and the tests suggest none of our systems will pass the technical and economic viability test.	£0. To be confirmed by completing technical and economic viability tests for all of our estates. If was required cost would be £450 per unit. Total risk c£2m.
Requirement to recalibrate individual heat meters every ten years.	Recalibration or replacement of individual heat meters at Delhi Outram and Aubert Court. Not yet clear when this would be required.	£200 - £450 per meter depending on whether replacement is required. £58k - £176k in total.
Requirement to install individual heat meters in any new building served by a district heating system.	Individual heat meters already included in the employer's requirements for new build properties served by district heating systems.	£0
<b>Total</b>		<b>£310.5K - £428.5K plus fees @10% = £340k - £471k</b>

3.1.6 Compliance with the regulations will be monitored by the National Measurement Office who will be taking a risk-based light touch approach to regulation. However, where an organisation repeatedly and unreasonably fails to meet its obligations, the NMO will be able to apply appropriate enforcement action and penalties.

3.1.7 The key dates for implementation of the Directive and the Islington's recommended actions are set out in the table below.

<b>Date</b>	<b>Change</b>	<b>Recommended Islington action</b>
31 <sup>st</sup> December 2014	Accurate billing information is required where meters are in place	All of our individual heat meters work on a pre-payment basis so residents pay for what they use. New requirement to send an annual statement on usage. Service Development Team have raised this with the heat meter operator (Switch2).
30 <sup>th</sup> December 2015	Heat suppliers are required to notify the scheme administrator – the National Measurement Office	Service Development Team are leading this.
31 <sup>st</sup> December 2016	Deadline for first metering/heat cost allocator viability assessment in multi-apartment/multi-purpose buildings, and installation where viable.	Service development team to co-ordinate this and report back. Housing property services to carry out desk-based viability assessment and installation of building-level meters.

### **3.2 Procurement of a heat meter supplier and operator and approach to metered communal heating charges.**

3.2.1 The council is undertaking a procurement exercise for a heat meter installer and operator that would be used to install and operate replacement and new heat meters. As part of this procurement project the council will review its approach to charges for individually-metered heat and the type of meters it uses – for example whether standing charges should be used and whether payments could be made online or over the phone instead of through local shops. The Service Development Team will lead this project because its scope spans Housing Property Services, Housing Operations, the Energy Team, Strategic Housing and Housing Finance.

## **4 Conclusion and reasons for recommendations**

5.1 The EU Efficiency Directive has resulted in UK regulations requiring the mandatory installation of heat meters in certain circumstances. This report sets out how this will affect Islington and recommends how the council should respond to the new requirements.

**Background papers:** None

Report author: Bryony Willett  
Tel: 020 7527 7713  
E-mail: [bryony.willett@islington.gov.uk](mailto:bryony.willett@islington.gov.uk)

**DRAFT WORK PROGRAMME  
ENVIRONMENT AND REGENERATION SCRUTINY COMMITTEE  
2015/2016**

**14 July 2015**

Communal Heating – Implications of the EU Metering and billing directive for Islington

Consultation on Quietways - Presentation

**September/October – date to be confirmed**

Communal Heating – Draft Report

Smart Cities – SID and Witness Evidence

Community Energy - Final Report

**19 November 2015**

Communal Heating – Final Report

CCTV on estates – Presentation

Smart Cities – Witness Evidence

**14 December 2015**

Community Infrastructure Levy - Presentation

Smart Cities – Witness Evidence

**1 February 2016**

Recycling - Presentation

Smart Cities – Draft Report

**25 April 2016**

Smart Cities – Final Report

This page is intentionally left blank