**Volume 2**

**The Specification**

**4-Year Framework for the Delivery of Homes Retrofit Programmes**

(precursor to Warmer Homes Phase 3 and other potential programmes)

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City Hall

The Queen’s Walk

London

SE1 2AA

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**Contents**

[1. ORGANISATIONAL OVERVIEW 4](#_Toc82689751)

[Greater London Authority (GLA) 4](#_Toc82689752)

[2. ABOUT THIS PROCUREMENT 5](#_Toc82689753)

[The new Framework and future opportunities 5](#_Toc82689754)

[Expected initial use of the Framework: Warmer Homes Phase 3 5](#_Toc82689755)

[3. INTRODUCTION 7](#_Toc82689756)

[4. BACKGROUND 8](#_Toc82689757)

[5. OVERVIEW OF ENERGY FOR LONDONERS 9](#_Toc82689758)

[6. THE FIRST PHASE AND SECOND PHASE OF WARMER HOMES 10](#_Toc82689759)

[7. OBJECTIVES OF WARMER HOMES PHASE 3 11](#_Toc82689760)

[8. FRAMEWORK SCOPE 12](#_Toc82689761)

[Organisations eligible to use the Framework 14](#_Toc82689762)

[9. USE OF FRAMEWORK 15](#_Toc82689763)

[Mini-Competition approach 15](#_Toc82689764)

[Mini-Competition evaluation criteria and weighting 15](#_Toc82689765)

[Sub-criteria – any relevant sub-criteria 16](#_Toc82689766)

[Multi-stage tendering 16](#_Toc82689767)

[Multi-phase programmes 16](#_Toc82689768)

[Pricing approach 17](#_Toc82689769)

[Funding approach 17](#_Toc82689770)

[Contract approach 17](#_Toc82689771)

[Access agreements 18](#_Toc82689772)

[10. Warmer Homes 3 19](#_Toc82689773)

[How the Framework will be used for Warmer Homes Phase 3 19](#_Toc82689774)

[Expected requirements and approach for Warmer Homes 3 20](#_Toc82689775)

[Eligibility criteria: fuel poor households 20](#_Toc82689776)

[Eligibility criteria: measures 21](#_Toc82689777)

[Household engagement 21](#_Toc82689778)

[Engagement and offers for flats and mixed tenure buildings 22](#_Toc82689779)

[Household targeting 22](#_Toc82689780)

[Customer Relationship Management (CRM) System 22](#_Toc82689781)

[Supply chain engagement and co-ordination 23](#_Toc82689782)

[Single point of contact for the householder and homeowner 23](#_Toc82689783)

[PAS 2035 roles 23](#_Toc82689784)

[Developing the able to pay opportunity 24](#_Toc82689785)

[11. SCHEME MOBILISATION 25](#_Toc82689786)

[Delivery process 25](#_Toc82689787)

[Stage 1: Determining eligibility of the householder 25](#_Toc82689788)

[Stage 2: Dwelling assessment 26](#_Toc82689789)

[Stage 3: Recommendations Report 26](#_Toc82689790)

[Stage 4: Offer to the Household and/or Homeowner 27](#_Toc82689791)

[Stage 5: Installation of measures 27](#_Toc82689792)

[Stage 6: Inspection 28](#_Toc82689793)

[Project Close Out 28](#_Toc82689794)

[Data management and handover 29](#_Toc82689795)

[Data at end of contract / transition 29](#_Toc82689796)

[Finance 29](#_Toc82689797)

[Management and review 29](#_Toc82689798)

[Monitoring and reporting requirements 30](#_Toc82689799)

[12. Diversity and Inclusion Plan 31](#_Toc82689800)

[13. ROLES 32](#_Toc82689801)

[The GLA 32](#_Toc82689802)

[Service Provider 32](#_Toc82689803)

[Local Authorities and their partners 33](#_Toc82689804)

[Key knowledge and competencies 33](#_Toc82689805)

[14. DELIVERABLES / MILESTONES 35](#_Toc82689806)

[Service Level Agreements (SLAS)/Key Performance Indicators (KPIS) 35](#_Toc82689807)

[15. EVIDENCING KPI ACHIEVEMENT 37](#_Toc82689808)

[16. SCHEME BUDGET AND FUNDING 38](#_Toc82689809)

[17. APPENDIX 1 - KPI CALCULATION 39](#_Toc82689810)

[18. APPENDIX 2 - DEFINITIONS 41](#_Toc82689811)

# ORGANISATIONAL OVERVIEW

## Greater London Authority (GLA)

1. City Hall has one Mayor and 25 Assembly Members who are elected by Londoners. With the support of City Hall's staff, they work to make London the best big city in the world.
2. Also known as the Greater London Authority (GLA), it was created after a referendum in 1998, when Londoners voted in favour of a directly elected Mayor to represent London's interests, and a London Assembly to scrutinise their work. Further information can be found here: https://www.london.gov.uk/
3. The Mayor and the GLA wants to make London a zero-carbon city by 2030, while at the same time protecting the most disadvantaged by tackling fuel poverty. The Mayor is committed to decarbonisation of heat and reversing London's historic shortfall of national energy efficiency funds.
4. The Mayor has set out a rage of ambitious schemes and actions to address fuel poverty in London in his Fuel Poverty Action Plan. Warmer Homes and the Green Homes Grant Local Authority Delivery programme (GHG LAD) have been key deliverable of this action plan. Since January 2018 these programmes have delivered work with a value of at least £38.5m.
5. The GLA works closely with London boroughs and other social landlords to deliver programmes at scale and we are committed to an ambitious reversal of the shortfall that London has seen in domestic energy efficiency funding. We are committed to more than quadrupling the estimated £30m that London receives annually in Energy Company Obligation (ECO) funding in order that London receives its fair share of ECO4. Warmer Homes Phase 3 will be pivotal in this.
6. More information on our activities relating to the environment and energy can be found at:

https://www.london.gov.uk/what-we-do/environment

# ABOUT THIS PROCUREMENT

1. The Mayor of London wants London to become a net zero-carbon city by 2030 and has declared a climate emergency. The Mayor also wants to protect the most disadvantaged by tackling fuel poverty. The third phase of Warmer Homes provides circa £30m of funding for energy efficiency measures in fuel poor homes in London.
2. This procurement exercise is being undertaken to create a framework of providers who can support the delivery of the Mayor’s homes retrofit programme. The new Framework is intended to cover the appointment of a Service Provider(s) to administer and manage scheme applications and manage and deliver installations of energy efficiency measures for Warmer Homes Phase 3.
3. The Framework will also cover fast procurement of other homes retrofit programmes, enabling London to take advantage of future grant funding opportunities as well as helping to develop the able to pay market.
4. The Mayor is currently working on securing London’s proportionate share of ECO4 funding. If successful, this would be circa £130m annually until 2026, much of which could be delivered through this Framework.

## The new Framework and future opportunities

1. Grant funded homes retrofit programmes often have short delivery timescales. As such the GLA is looking to put in place a solution that can quickly begin delivery of future grant programmes (or other funding approaches) without the need for further lengthy procurement. This approach will help to minimise delays and maximise the schemes benefits.
2. This Framework is intended to help accelerate the improvement of homes in London through enabling fast procurement of delivery partners. The scope covers grant and able to pay opportunities and is open for organisations across London to use.
3. It also creates the ability to have separate programmes collaborate to maximise benefits and enables contract extensions if required.
4. Significant contract values could be placed through the Framework (subject to selection, relevant funding, and approvals).

## Expected initial use of the Framework: Warmer Homes Phase 3

1. Once the Framework is created, the current expectation is to run a Mini-Competition for delivery of services covering Warmer Homes Phase 3. This is subject to approval and successful award of grant to the GLA, although the potential spend is significant.
2. Warmer Homes Phase 3 is used as the case study for this procurement, with assumptions made regarding the value and deliverables – these are used as illustrative and updated requirements will be used in the Mini-Competition.
3. By the end of the two-year contract, the Service Provider will be expected to deliver:
   * **over £30m of improvement to homes**
   * support to 3,000fuel poor households
   * annual fuel bill savings of £845,400
   * annual CO2 savings of 3,270 tCO2/yr.
   * annual energy savings of 11,180,000 kWh
4. The GLA is looking for a service provider with a proven track record of delivery, administrative and technical ability to deliver this exciting scheme, and help to deliver the Mayor’s ambitions to tackle fuel poverty whilst making London zero carbon

# INTRODUCTION

1. The Mayor and the GLA are committed to protecting the most disadvantaged by tackling fuel Poverty. He has set out a rage of schemes and actions to address fuel poverty in London in his Fuel Poverty Action Plan. Warmer Homes and the Green Homes Grant Local Authority Delivery programme are key deliverables of this action plan. Since January 2018 these programmes have delivered work with a value of at least £38.5m.
2. The GLA works closely with London boroughs and other social landlords to deliver programmes at scale and we are committed to an ambitious reversal of the shortfall that London has seen in domestic energy efficiency funding. We aim to more than quadruple the estimated £30m that London receives annually in ECO funding in order that London receives its fair share of ECO4, some £130m. Warmer Homes Phase 3 will be pivotal in this.
3. This programme will be the most ambitious cross-tenure retrofit programme ever undertaken in London and aims to meet the Mayor’s 2030 target by grasping the challenge of decarbonising domestic heat and hot water whilst protecting those in or at risk of fuel poverty. It will involve all London boroughs and a range of other social landlords and support private landlords in meeting their obligations. For the first time an offer will be developed for able to pay households.

# BACKGROUND

* 1. In his manifesto Sadiq Khan, Mayor of London, reaffirmed his ambition to make London a carbon neutral city by 2030. Meanwhile one in seven London households live in fuel poverty. Warmer Homes aims to reduce household’s energy demand and carbon emissions whilst at the same time protecting the most disadvantaged from the effects of fuel poverty.
  2. The Government published its Clean Growth Strategy in 2017 which sets out an aspiration for all fuel poor homes to be upgraded to Energy Performance Certificate (EPC) B and C by 2030 and for as many homes as possible to be EPC B and C by 2035 where practical, cost-effective and affordable.
  3. The Sustainable Warmth strategy 2021 has a similar target for fuel poor homes by 2030. A recent Committee on Climate Change progress report on national carbon budgets noted there is a gap in regulation and action to deliver on this aspiration and, more broadly, for enough reductions in domestic carbon emissions to support delivery of the UK’s fourth and fifth carbon budgets.
  4. The third report of the Committee on Fuel Poverty expresses concerns that, nationally, time is running out to meet fuel poverty targets and there has been no real progress in setting out a long-term programme or implement the necessary policies to address fuel poverty.
  5. At the same time, fuel poverty in London is the highest since records began. In 2019 there were 531,000 households living in fuel poverty in London, which equates to 15.2 per cent of all households, leading to poor thermal comfort, substantial health inequalities and, in some cases, death.
  6. London continues to lose out on funding from the Government’s Energy Company Obligation (ECO); while Londoners contribute 13 per cent to ECO through their energy bills, only 4.5 per cent of this finds its way back to London. The Mayor has set out a scheme of actions to address fuel poverty in London with his associated powers in his Fuel Poverty Action Plan. These include support for fuel poor living in energy inefficient homes through his pan-London Warmer Homes programme and Warmer Homes Advice Service.
  7. There are currently only limited programmes in London supporting retrofit of homes in the private, able to pay sector, particularly owner occupiers, which account for approximately 51 per cent of homes and an estimated 66 per cent of domestic CO2 emissions in London. This sector must be addressed to make progress towards the Mayor’s ambition for London to be carbon neutral by 2030.
  8. However, there is limited government policy support to encourage wider home energy efficiency retrofits, particularly in the able to pay sector. The Green Homes Grant Voucher Scheme was closed on 31 March 2021 despite significant public interest, with the possibility of a replacement to be announced in the 2021 Autumn Spending Review. Minimum Energy Efficiency Standards for privately rented homes have been introduced, which require all newly rented properties to reach at least an EPC of E unless the landlord is able to secure an exemption, however both the requirements and enforcement are weak. In any case, the legislation only currently covers one per cent of homes in London and there is currently no published trajectory for increasing this standard or extending it to cover other tenures.
  9. One of the challenges identified by the Each Home Counts review is that customer trust in installers is very low. To help address this, the Service Provider selected to deliver Warmer Homes could become available to deliver the same high standards of installation being delivered to fuel poor households to any Londoner seeking to improve the energy performance of their home.

# OVERVIEW OF ENERGY FOR LONDONERS

1. In January 2018, the Mayor of London launched Energy for Londoners (EfL), to make London’s homes warmer, healthier and more affordable, help workplaces become more energy efficient, and supply London with more local clean energy.
2. The Mayor’s EfL programme will help speed up work to decarbonise London’s homes and workplaces and develop clean energy systems. To be effective across all of London’s housing, a variety of approaches is needed across EfL to address the barriers to retrofit in different typologies and tenures, and respond to a range of occupant situations, motivations and behaviours. These include:
3. Warmer Homes Phase 3 - funds energy efficiency improvements to qualifying fuel poor homes and able to pay sector.
4. Green Homes Grant Local Authority Delivery scheme (GHG-LAD) – a national programme administered by local authorities to deliver the government's Green Homes Grant for home improvements, addressing fuel poverty and environmental upgrades.
5. Warmer Homes Advice Service – funding for boroughs to enable them to deliver a pan-London fuel poverty advice and referral network on behalf of the Mayor. This will be a significant source of referrals into Warmer Homes Phase 3.
6. Fuel Poverty Partnership: working together with experts across the health, social and environment sectors to guide London’s work on fuel poverty
7. Retrofit Accelerator - Homes – this builds on the GLA’s previous domestic retrofit scheme, RE:NEW which provided technical assistance to enable housing providers to deploy ‘deep’ energy efficiency retrofits to existing homes. It provided support with unlocking finance and funding, and development and testing of innovative approaches predominantly in social housing and multi tenure offers on an area basis.
8. Energy Leap – a pilot demonstrating a near net zero energy (NZE) whole house retrofit standard (using the Dutch ‘Energiesprong’ standard) in up to ten London homes as part of a wider initiative to create a mass market for affordable NZE homes. The standard provides modern and desirable homes that produce enough energy for heating, hot water and appliances. Money that would be paid on energy bills and maintenance funds the work. The cost of living doesn’t go up because real-life performance for energy use and indoor comfort is guaranteed for up to 40 years. A complete home makeover should take less than 10 days and has been done in as little as a day.
9. Solar Together London – households and small businesses register their interest in having solar panels installed on their homes and buildings, and with support from local authorities, Solar Together London purchases high quality solar photovoltaic panels at a very competitive price on their behalf and enables quality installations.

# THE FIRST PHASE AND SECOND PHASE OF WARMER HOMES

1. The first and second phases of the Mayor’s Warmer Homes programme launched in January 2018 and March 2020 respectively. The programme provided up to £5,500 worth of energy efficiency improvements to qualifying fuel poor homes.
2. The scheme aims to take a whole house approach, identifying a package of measures based on the needs of each customer and their home. This approach aims to achieve greater occupant benefits including lower bills, greater comfort and improved wellbeing, in addition to reducing CO2 emissions. This fits with the increased focus on deeper retrofitting within EfL, particularly in the Energy Leap pilot and the Retrofit Accelerator for Homes.
3. The first phase of Warmer Homes delivered improvements in 1,157 low income households and the second phase is due to improve 864 homes. The scheme focused on taking a more holistic approach to improving the home. As well as insulating lofts and walls and repairing or replacing heating systems there has also been a substantial amount of work done to address issues around ventilation, damp and mould.
4. Support for Warmer Homes has been provided by the Warmer Homes Advice Service, with the GLA providing grant funding to boroughs to help them assist fuel poor households across the whole of London with a range of interventions, including referrals to Warmer Homes. The service has been the chief source of referrals for Warmer Homes, utilising a network of over 300 partner organisations to reach and support over 9,900 low income households since 2018.
5. We currently have a contract in place to deliver Warmer Homes Phase Two and this has now reached its maximum contract value, due to success in securing external funding. We are now going out to market to use a competitive process to enable the GLA to get the best solution and provider. This will enable us to take full advantage of all funding available and to expand the programme to fit our ambitions. These are to deliver more substantial packages to households – particularly in order to decarbonise heat and hot water – and to expand our programme across tenures and to able to pay households.
6. A principal aim of the new programme will be to deliver on our ambitions to secure London’s fair share of all domestic energy efficiency funding. Under our programmes to date some 76% of the funding has been secured from external sources (national government, energy suppliers, boroughs) and we want to increase both the proportion and the absolute amount significantly. The Service Provider will be expected to play the central role in securing Energy Company Obligation funds. Currently London only receives around £30m of ECO funding annually and we want to increase that to our fair share (under ECO4) of £130m annually. This programme will play a key role.

# OBJECTIVES OF WARMER HOMES PHASE 3

1. Warmer Homes Phase 3 contributes to the delivery of the Mayor’s ambition for London to be a carbon neutral city by 2030 whilst tackling fuel poverty.
2. Aligned with the indicators set out in the Mayor’s Fuel Poverty Action Plan, and subject to funding, the objectives of Warmer Homes Phase 3 are to:

* reduce the number of fuel poor households and the overall fuel poverty gap in London, by the installation of energy efficiency measures in fuel poor homes to make them cheaper to heat and more comfortable and reduce the impact of cold living conditions on health
* reduce the number of cold homes in London by moving as many of the homes that benefit from support as possible to EPC B and C ahead of the government’s 2030 fuel poverty target, recognising that, depending on technical feasibility, customer preference and availability of funding, it may not be possible to move all such homes to EPC band C
* support a minimum of 3,000 fuel poor households.
* help fuel poor households save on their energy bills - £845,400 annual fuel bill savings for Londoners
* deliver reductions of 3,270 tCO2/yr.
* contribute to carbon reduction and improved air quality by phasing out gas boilers in favour of low carbon heating and the installation of building fabric improvements.
* secure maximum energy efficiency funding for London

1. Warmer Homes Phase 3 will also deliver the following additional outcomes, which would be subject to review through periodic evaluation to be conducted by a third party through a separate contract:

* improved health and wellbeing;
* increased retrofit capacity in London including the creation of jobs;
* creating a stronger body of evidence to lobby government to increase funding and introduce or improve legislation.

# FRAMEWORK SCOPE

1. The focus of the Framework is on energy efficiency retrofit of homes. To optimise the potential use and benefits, the scope covers homes retrofits in their broadest sense to enable a wide range of improvements and delivery options.
2. The Framework will enable the GLA and other London organisations to select providers for the delivery of services (including associated works), that are within the scope of the Framework. It will be possible for organisations to cover a narrower or wider range of services and/or delivery methods. Call-off contracts may be awarded through use of a Mini-Competition, although there may be the potential for a direct award in certain circumstances as detailed in Clause 3.2 of the Framework Agreement.
3. In terms of the potential scope, requirements covered could include a bespoke area programme focusing on specific technologies or specific property types, through to a London-wide programme covering a range of technologies, funding approaches, and delivery mechanisms.
4. The Framework scope includes the ability to select one or more elements of an overall solution for delivering a home retrofit programme. For example, this could cover one or more of the following elements:

* Initial engagement - including but not limited to covering some or all of central and/or local marketing, interface with regional / borough activity, website creation, potential to bespoke for local requirements, direct customer engagement (e.g. phone, email etc.). This could potentially cover selection and/or handover to a separate delivery agent(s) to manage the retrofit process etc.
* Delivery agent - including but not limited to covering some or all of ongoing customer engagement, surveying, solution design, selection of providers, management of installation including quality assurance and payment, monitoring and evaluation etc.
* Installation and supply chain management - including but not limited to covering some or all of supplier identification, development, qualification, management, contracting, monitoring and evaluation etc.
* Underpinning tools - including but not limited to covering some or all of customer relationship management (CRM) system, workflow / task management, data management, reporting, client engagement and information, supplier engagement and information etc.



Example set of activities in the above diagram

Activities under such programmes can include some or all of the following

1. energy reduction/energy efficiency measures including but not limited to:

* provision and installation of new equipment
* optimisation of equipment (including existing equipment)
* provision of related services
* maintenance in relation to any of the above

1. energy generation measures including but not limited to:

* provision and installation of new equipment
* optimisation of equipment (including existing equipment)
* provision of related services
* maintenance in relation to any of the above
* associated works and services (including assessment, design, and/or delivery) in relation to any of the above.
* wider property improvement where supportive of an overall energy / emission saving focus for the programme (and provided non-energy efficiency accounts for less than 50% of the overall contract value).

1. related activities to support the programme including but not limited to:

* a range of funding / financing approaches and options, including grant funding and direct funding (subsidised or otherwise) by the able to pay sector
* network and (smart) grid solutions, decentralised energy, battery storage, smart technology, and electric vehicle charging.

There is also the potential for specific requirements to be incorporated into projects to cover wider strategic goals and benefits (e.g. economic (including job creation), environmental, and/or social).

1. For clarity if appointing to a managing agent type role the Service Provider may be responsible (if stated in the Mini-Competition) for ensuring all aspects of the services are delivered professionally and to the requirements; including but not limited to:

* Strategic planning and business plan establishment
* Planning – measures and financials
* Management reporting
* Managing the customer journey
* Communications and referrals for identifying potential dwellings and households
* Household engagement
* Property assessments, eligibility confirmations and solution acceptance
* Necessary supply chain management
* Management of the works (scheduling and delivery)
* Inspections, assurances and works approval
* Customer satisfaction and project close out
* Contract and performance management (including supply chain management)

1. The Framework Agreement will have a maximum four-year term but associated call-off contracts may have longer, potentially much longer, terms if the nature of the requirement justifies the duration.

## Organisations eligible to use the Framework

1. Details on the organisations that are eligible to use the Framework are as set out in the contract notice for this procurement.
2. The applicability and ability to use the Framework by organisations will be a decision for the relevant organisation and the GLA will accept no liability in this regard.
3. The upper threshold for total purchases through the Framework is as stated in the contract notice for this procurement. There is no guarantee of contract volumes or turnover.

# USE OF FRAMEWORK

## Mini-Competition approach

1. Organisations using the Framework will run a Mini-Competition in accordance with the Framework Agreement and which is compliant with the relevant regulations. The detailed approach to tendering, including the nature and detail of bid responses required, will be determined by the project specific requirements of the buying organisation and the type of project it is undertaking. These requirements will be stated in the ITT (Mini-Competition) documentation including any performance requirements and incentivisation mechanism.
2. The tendering approach is flexible and the buying organisation can set the requirements, questions, evaluation scoring and evaluation weighting as necessary for a particular project provided these remain within the scope of the Framework and are permitted under the regulations. Further details regarding possible adjustments to questions and evaluation approach are set out below.
3. Buying organisations using the Framework will be able to select a provider by inviting all relevant Service Providers from the Framework. Full details of the buying organisation’s requirements in relation to any option selected will be set out in the Mini-Competition   
    documentation.
4. The buying organisation may include, if stated in the Mini-Competition documentation, the potential to have a preferred bidder and reserve bidder(s) as part of the process.

## Mini-Competition evaluation criteria and weighting

1. The buying organisation will award the Mini-Competition based on the most economically advantageous tender as defined by the evaluation criteria and weightings to be used for a particular project. The evaluation criteria and weightings will be set out in the Mini-Competition documentation (Call-Off Award Criteria).
2. There is flexibility to adjust the evaluation criteria at Mini-Competition stage, as set out below. Call-Off Award Criteria can include some or all of the criteria stated below. The aim is for buying organisations to have maximum flexibility to refine criteria and weightings used at the Framework tender stage to help ensure they best reflect what the most economically advantageous basis means for their particular requirement. Call-Off Award Criteria may also include additional sub-criteria to further drill down and test the proposals in the tender response (Mini-Competition) for a particular project.
3. Not all criteria stated below may be applicable to every project. The Call-Off Award Criteria (including weightings and applicable scoring methodology) for a particular project will always be included as part of the Mini-Competition documentation.

Table 1 - Weighting range for criteria

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Overall range** | | **Sub-criteria range** | |
| **Criteria** (including any drill down) | **Lowest** | **Highest** | **Lowest** | **Highest** |
| **Quality criteria (overall)** | **20%** | **90%** |  |  |
| Sub-criteria – any relevant sub-criteria including social value |  |  | 0% | 90% |
|  |  |  |  |  |
| Legal - acceptance of draft Contract terms | Pass or Fail only | |  | |
|  |  |  |  |  |
| **Price criteria** | **10%** | **80%** |  |  |
| Sub-criteria – any relevant sub-criteria |  |  | 0% | 80% |

## Sub-criteria – any relevant sub-criteria

1. There is also the potential for project specific minimum requirements against criteria or sub- criteria to be incorporated into Mini-Competitions. If these are included for a particular project they will be stated in the Mini-Competition documentation.

## Multi-stage tendering

1. The Framework will allow for a multi-stage Mini-Competition process to reduce the number of shortlisted bidders who are required to develop detailed proposals. This is expected to be used only where the bid response requirements need to be very detailed and therefore this approach reduces the number of full proposals required.
2. If a multi-stage Mini-Competition is to be used, the method for shortlisting (including the number of stages), will be defined by the buying organisation and set out in the Mini- Competition documentation, including the evaluation criteria and scoring to be applied across each stage of the Mini-Competition. This method may include an outline proposal in relation to the requirement. The approach could require responses in written and/or presentation format.

## Multi-phase programmes

1. Buying organisations may want to have programmes delivered in different phases / stages. This may be for a range of reasons including, but not limited to, undertaking subsequent phases if/when approval is achieved, if/when extra funding becomes available, and/or timing for the next phase is more appropriate.
2. The terms and conditions relevant to the development of the call-off contract under the Framework Agreement allow for services to be delivered on a phased basis. Additional phases / stages of support will not require a new Mini-Competition but may require a contract variation to incorporate the details of the services provided as the programme progress to the next phases / stage.

## Pricing approach

1. The pricing approach used, and response required in the response to a Mini- Competition, will depend on the requirements for a particular project and will be stated in the Mini-Competition documentation.
2. The buying organisation will want the ability to clearly understand actual, maximum costs or the pricing approach to be used in supporting a project. Given the nature of projects and potential changes as it progresses, it may not be possible, feasible, or required, to fully cost all requirements/proposals at the Mini-Competition stage.
3. Costs and proposed solutions for supporting all phases / stages may not be known until after certain phases are completed and therefore approach to help identify the most economically advantageous tender for a particular project may include outline/maximum pricing and/or the pricing approach.

## Funding approach

1. It is recognised that different buying organisations using the Framework may require different approaches to funding projects. The Framework is therefore intended to be flexible with regards to the approaches that can be included in projects.
2. Buying organisations will state their funding / financing approach and/or requirements (including requirements or terms that may be associated with the financing approach), in the Mini-Competition documentation.
3. If more than one option is allowed, the buying organisation must set out in the Mini- Competition which options are allowed and how they will be evaluated (in accordance with the Call-Off Award Criteria).

## Contract approach

1. Each Service Provider appointed to the Framework will enter into a Framework Agreement with the GLA. The Framework Agreement contains overarching terms and conditions which govern the relationship between the GLA and each Service Provider.
2. The Framework Agreement also provides the mechanism to allow buying organisations to call-off services. There is no guarantee of any quantity or value of services which may be called off under the Framework Agreement.
3. Should a buying organisation wish to call off contract services (which may include works, service, and/or supply) through the Framework then it will undertake follow a route as described above. This is planned, as far as possible, to enable flexibility in the contractual requirements issued as part of the Mini-Competition so a buying organisation can in detailing their requirements incorporate aspects such as their own special conditions, rights and remedies, and performance-based mechanisms.
4. Any Contract or associated supplementary agreement entered into between a Service Provider and a buying organisation will be a separate and binding agreement between those parties. The GLA will have no liability under or in connection with any Contract or associated supplementary arrangement, unless of course the GLA is accessing services under the Framework as a Contracting Authority and enters accordingly into a Contract with a Service Provider (in which case the GLA may be liable to the relevant Service Provider under that Contract).

## Access agreements

1. Where an actual or prospective buying organisation is required to enter into an access agreement, this is designed to help management of the Framework and ensure that buying organisations understand and follow guidance on using the standard process (including template documents where applicable), including how they will work with their support service.
2. If the GLA requires the use of access agreements during the Framework period, the GLA shall notify Service Providers in advance and confirm Service Providers’ obligations to procure that existing/prospective buying organisations enter into necessary agreements with GLA going forwards.

# Warmer Homes 3

1. The following sections (10-17) relate to requirement for Warmer Homes Phase 3. These form the focus of the response requirements for the questions and are the basis for evaluation to determine who will be awarded a place on the Framework. Only providers on the Framework will be able to bid for subsequent Mini-Competitions run through the Framework.

## How the Framework will be used for Warmer Homes Phase 3

1. The current expectation is for the Warmer Homes Phase 3 requirement to be tendered through a Mini-Competition amongst providers on the Framework. The Service Provider selected through the Mini-Competition will deliver the objectives of Warmer Homes Phase 3 by providing the delivery mechanism to primarily support vulnerable residents in or at risk of fuel poverty, through grant funding the installation of appropriate energy efficiency and renewable energy improvements.
2. In addition to utilising grant funding from the GLA, the Service Provider will adapt the service to incorporate existing and future funding available from central government, London boroughs, and energy suppliers. We anticipate Warmer Homes 3 to incorporate, subject to agreement by the GLA, the following as well as other relevant funding that may become available during the contract:

* Green Homes Grant Local Authority Delivery (GHG LAD)
* Home Upgrade Grant (HUG)
* Social Housing Decarbonisation Fund (SHDF)
* Energy Company Obligation (ECO) Phases 3 and 4
* Local authority carbon offset funds
* Better Care Funds

1. We are also keen for the service to explore and make provision for non-fuel poor households and landlords to directly finance energy efficiency measures with support from the Warmer Homes service. As such, we are keen to work with the Service Provider to develop potential solutions through work with green finance providers to offer attractive third-party finance to able to pay households under the Warmer Homes banner.
2. The desire is for the Warmer Homes service to develop and expand over time to become London’s trusted go-to one-stop service for energy retrofit, for vulnerable, fuel-poor and able to pay households.
3. London’s supply chain of retrofit installers is currently underdeveloped and too fragmented to meet the challenge of bringing as many homes as possible up to a C rating by 2030. Therefore, the Service Provider must support the training and accreditation of new and apprentice installers. They will do this by prioritising the selection of installers that offer apprenticeships and will work with training providers to offer placements with installers under Warmer Homes.
4. The Service Provider will leverage funding for energy efficiency measures in fuel poor households to support the growth of a robust retrofit supply chain of reputable, accredited retrofit jobs as part of London’s green and fair recovery. The Service Provider will actively promote equality, diversity and inclusion when selecting installers and engaging households. They will demonstrate how they will take steps to ensure that the workforce of installers and the households receiving measures best reflects London’s diverse population.
5. Given the initial focus of the scheme is on supporting vulnerable residents, there is a clear need for the Service Provider to be able to deliver the scheme in ways which are appropriate and sensitive to them.
6. The Service Provider will do this through providing intensive end-to-end support to households to process applications, conduct a technical assessment to identify the most suitable measures, agree the works, and manage the installation. The Service Provider will act as the Data Controller for this contract.
7. There are several key principles to ensure Warmer Homes Phase 3 achieves the best possible outcomes including:

* supporting the most disadvantaged in society through providing funding for energy efficiency measures for fuel poor households;
* ensuring high quality outcomes and leveraging a trusted, London based supply chain;
* working with other EfL programmes including London Power, the Warmer Homes Advice Service, and Retrofit Accelerator for Homes to maximise impact and share best practice;
* fostering continuous improvement through scheme evaluation by a third party appointed and specified by the GLA.
* working with partners, including London boroughs, to increase local delivery capacity; and
* contributing to the development of a strong evidence base to help lobby government.

1. The Service Provider selected to deliver Warmer Homes Phase 3 may have the opportunity to expand into the able to pay sector and deliver the same high standards of installation being delivered to fuel poor households to any Londoner seeking to improve the energy performance of their home. This includes through any offer(s) or other pilots that may be launched by the GLA during the contract term.
2. There is currently no grant funding or other direct support allocated for non-fuel poor households seeking to use the Service Provider. Should this become available, the Service Provider is expected to support the application and use regarding any such support.

## 

## Expected requirements and approach for Warmer Homes 3

1. The following show the current expectations and assumptions. The GLA reserves the right to change elements of the scheme at will, including (but not exclusively) overall eligibility for the grant, the grant amount available per household, the types of measures available through the scheme and specific eligibility for each. The GLA will work in partnership with the Service Provider to understand, manage and implement any changes, acting on a fair and reasonable basis.

## Eligibility criteria: fuel poor households

1. To be eligible for the grant funding under this phase of Warmer Homes, the applicant must fulfil the following criteria:

* Live in Greater London (defined as the 32 London Boroughs and the City of London);
* Own or privately rent their home or be a private landlord with an eligible tenant;
* Rent their home from a local authority or other social landlord where the landlord has requested that the service provider carries out improvement works

1. The maximum amount of core GLA grant funding available per fuel poor household will be £5,500, but this will be supplemented by national funds such as the Green Homes Grant Local Authority Delivery scheme and the Home Upgrade Grant to an average grant level of £10,000. The Service Provider is expected to leverage match funding from other sources (e.g. ECO or borough carbon offset funds) where possible.

The Service Provider will also deliver work from other formerly mentioned funding sources and will need to ensure that both the dwelling and the household meet the eligibility criteria for these. Criteria for eligibility are likely to include:

* Dwelling EPC rating
* Access to mains gas
* Household income and composition
* Receipt of eligible benefits
* Household vulnerability to cold
* Household tenure
* Dwelling type (Flat, terraced house, park home etc).

## Eligibility criteria: measures

1. Energy efficiency and renewable energy measures eligible for grant funding under Warmer Homes Phase 3 will include any measures that will improve the Energy Performance Certificate rating of the dwelling and reduce fuel costs. Each dwelling will be assessed in accordance with TrustMark and PAS 2035:2019 and measures selected according to a whole dwelling plan, considering the home, environment, ventilation, occupancy and fuel cost reduction objectives. Repair and replacements for faulty gas boilers will only be permitted for fuel poor households, in cases where low carbon alternative heat sources cannot be provided with the funding available. This can also be considered where the household has an urgent need for heating and hot water.

## 

## Household engagement

1. The Service Provider should provide an attractive and user-friendly website clearly showcasing the benefits of the Warmer Homes programme. The website will provide in-depth and easy to understand impartial information about measures available, their suitability for homes, funding availability and information about the costs, savings, grants and funding available to them.
2. The website will also include an online triage tool, to assess a household’s eligibility for measures, and provide customers signed-up to the service an online account that will allow them to track the process of their application. The Service Provider shall utilise online marketing tools including email and social media to notify customers of offers they may be eligible for.
3. The Service Provider must provide a dedicated customer contact service which must include:

* a free to call telephone service, designed to deal with enquiries and complaints fully and within a reasonable time;
* facilities to handle other kinds of customer communications such as email, letter and SMS; and
* facilities to assist those applicants with hearing or language difficulties.
* handling of external referrals from the GLA and other local authority services as well

as from installer network referrals.

1. The free to call telephone service must be staffed from 09:00 to 17:00 Monday to Friday (excluding public holidays) but voicemail must be available 24 hours a day, 7 days a week and 365 days throughout the year so that complaints and out of hours calls can be logged. Voicemails logged out of hours must be dealt with as soon as possible the next working day. The contact centre must be staffed by trained operatives who can be referred to answer technical queries about the suitability of measures from members of the public.
2. The Service Provider shall also make provisions for face-to-face engagement with individual households, tenant groups in blocks of flats and other local interest groups.

## Engagement and offers for flats and mixed tenure buildings

1. Just under half (49%) of London households live in flats. Blocks of flats have very different ownership and management arrangements from single family houses. The Service Provider shall devise strategies and services designed to engage multiple households and landlords within blocks of flats. This should incorporate a service that engages freeholders, leaseholders, tenants, landlords and building management services to support the collective uptake of energy efficiency measures across a whole building.

## 

## Household targeting

1. The Service Provider will be required to devise strategies to target eligible households using a range of data sources at their disposal. Sources may include the EPC register, GLA’s London Building Stock Model and other commercially available postcode and/or address level data that indicate household income.
2. The Service Provider will also work with London boroughs to draw up data sharing agreements, for the purposes of targeting eligible households. Participating boroughs may assist the Service Provider by providing addresses of households in receipt of relevant benefits and/or geo-spatial data showing parking restrictions and conservation areas.

## Customer Relationship Management (CRM) System

1. The Service Provider will use a CRM system that stores all relevant information for the programme. GLA will be provided with direct access to the system to enable occasional checks. Upon request the Service Provider will produce a full data set to the GLA in an easily readable electronic format within 5 Working Days. The level of such requests is to be reasonable.
2. The GLA may procure a CRM system to be used for Warmer Homes Phase 3 and potentially other related programmes for future GLA projects. If this happens, the Service Provider will support the establishment of the system, including but not limited to stating ideal and strictly necessary requirements, and providing up-to-date data to populate the system. The Service Provider will then use the system, either directly or through an interface from their own system, if requested by the GLA – any such request to be reasonable in terms of timescales and potential cost changes from the use of the system. Use of the system would likely include as a minimum the maintenance of records of communication between all householders and installers. If used, the GLA CRM system will be maintained by GLA contractors throughout Warmer Homes 3.

## Supply chain engagement and co-ordination

1. One of the main challenges for reaching net zero-carbon by 2030 is ensuring there are sufficient numbers of qualified installers in London. The Service Provider will promote Warmer Homes to incentivise installers to join the scheme. The Service Provider will assist prospective installers in understanding the requirements to operate under Warmer Homes such as PAS 2030 / MCS certification, reporting and contracting. The Service Provider must support the training and accreditation of new and apprentice installers. They will do this by prioritising the selection of installers that offer apprenticeships and will work with training providers to offer placements with installers under Warmer Homes. The Service Provider will identify barriers that exclude small firms based in London from operating under Warmer Homes, working with GLA and local boroughs to facilitate growth of the sector.
2. Retrofits will require installers from different trades working together on the same building. Installers may be called on to do multiple projects during the same period. The Service Provider will need to consider the capacity and availability of installers to carry out work, and to develop means of fostering cooperation between installers from different trades to minimise the overall length of time required for a retrofit and to minimise disruption for the household.

## Single point of contact for the householder and homeowner

1. The household shall be assigned and given the contact details of an advisor by the Service Provider once an assessment is arranged. They shall speak to the household offering advice, support and guidance throughout every stage of the journey. The advisor shall:

* arrange suitable times with the household for assessment and installation.
* support the householder in gathering any documentation to demonstrate income eligibility.
* support the householder and homeowner with signing contracts.
* advise and guide the homeowner with selection of appropriate measures, making sure they understand the recommendations from the retrofit plan and advising on what measures are eligible for funding under different schemes.
* provide the homeowner with quotes for installation, where the homeowner is expected to contribute payment.
* sign-post to third party financial advice where relevant.
* schedule dates and times for installation and ancillary works
* be available to support the householder and homeowner in dealing with any issues that arise before, during or after the retrofit.
* scheduling inspection of the installation and arrange any resulting remedial works necessary on behalf of the household.
* once work is complete, ensure the customer is aware of how to efficiently operate newly installed heating systems, controls, renewable technology and how to manage ventilation within the home.

## PAS 2035 roles

1. In accordance with PAS 2035:2019 for each job undertaken, the Service Provider will assign qualified individuals to undertake the roles of:

* Retrofit Advisor – provides general advice independent of installer.
* Retrofit Assessor – conducts assessment of dwelling.
* Retrofit Designer – produces retrofit design to be reviewed by the retrofit coordinator ensuring appropriate specification and detailing.
* Retrofit Co-ordinator – manages the retrofit project from start to finish, coordinating installers and accountable for protecting the homeowner and public interests.
* Retrofit Evaluator – ensures that monitoring is carried out during and after installation.

One individual can fulfil multiple roles for each project.

## Developing the able to pay opportunity

1. To help the GLA develop the able to pay market, the Service Provider agrees to work with the GLA to explore opportunities. The Service Provider will produce an outline proposal within 4 months of commencing the call-off contract that will cover:
   1. a proposal of how an able to pay offer could be developed to fit within Warmer Homes 3
   2. information on what would be needed to make the approach viable including the likely mechanisms needed to support (including funding).

If the GLA ask the Service Provider to further develop the proposal, there will be a specification agreed and a costed proposal will be produced by the Service Provider. If the GLA then want the Service Provider to implement, as a pilot and/or full service offer, a contract variation will be agreed to incorporate the able to pay offer.

# SCHEME MOBILISATION

1. The Service Provider is expected to minimise the amount of time required for scheme mobilisation. The Service Provider will need to:

* implement and test a customer application management system so that applications can be processed using this mechanism
* link this application system to the GLA website (via URL)
* establish a helpline (call centre)
* review and refresh the existing scheme policies, procedures and process maps including
  + scheme design flowchart and document schedule
  + data process flows
  + customer process flowchart including customer complaints process
* review and update as required
  + Warmer Homes scheme terms and conditions
  + template e-mails (approximately 10 templates)
* establish internal processes to conduct the eligibility checks, including eligibility checks with the Department for Work and Pensions
* brief the supply chain to prepare them for the scheme
* put in place ECO funding and ensure the necessary processes exist to support accessing the funding and demonstrating compliance
* develop a project delivery plan
* set up a risk register
* agree a reporting template with the GLA.
* ECO flexible eligibility including flow map.
* FAQs for potential suppliers and customers

## Delivery process

1. The specific tasks the Service Provider is required to cover are outlined in the stages below. Progress throughout each of these stages shall be logged on the CRM system.

## Stage 1: Determining eligibility of the householder

1. The first stage relates to assessing applicant’s eligibility. The Service Provider will:

* prioritise those applicants who have been flagged as having an urgent need for assistance
* provide telephone and e-mail support to applicants throughout the process
* ensure the home is within the Greater London postcode area
* verify qualifying benefits with Department for Work and Pensions (DWP)
* verify owner occupied status with the Land Registry
* conduct the eligibility checks for those in the privately rented sector (PRS)
* perform any other eligibility checks which might be required to assess applications
* liaise with boroughs around their decisions on ECO Flexible Eligibility declarations and validate submissions.

## Stage 2: Dwelling assessment

1. Once the application has been deemed eligible, the Service Provider will then move the application to the technical assessment and installation phase. The Service Provider will take a holistic approach to assessing homes, looking at insulation, heating, ventilation, damp and mould as well as any remediation measures which may be required, ensuring all measures are considered. The assessment will be carried out in accordance with PAS 2035:2019. The Service Provider will:

* provide a Retrofit Co-ordinator as a dedicated point of contact for each applicant
* contact applicants to book an assessment to determine what measures can be undertaken
* undertake the assessment. The Service Provider is permitted to charge able to pay households (should be comparable to costs charged for fuel poor households) for the cost of assessment where permitted by the GLA.
* conduct a risk assessment of the home and appropriate technical dwelling assessment in accordance with either Paths A, B or C of PAS 2035:2019
* identify if there is a need to obtain Building Control approval, planning consent and/or listed building consent for any of the identified measures.
* produce an Energy Performance Certificate for the home.
* discuss the findings of the assessment with the household and/or homeowner and provide, advice on the relative merits of each eligible measure, included expected costs, what measures are eligible for funding and where the household is likely to be required to, or benefit from a change in energy supply tariff and/or smart meter.
* collect any information needed to secure other funding to top up the funding provided to fuel poor households by the GLA.

## Stage 3: Recommendations Report

1. The Retrofit Coordinator will provide a recommendations report of measures. The recommendations report must detail eligible measures under available funding schemes. It must include the PAS 2035 Medium Term Plan and Risk Assessment and must consider other relevant elements including (but not limited to):

* the recommendations of the Medium-Term Plan;
* availability of fuel types locally including district heating schemes; and
* whether or not existing utility connections have sufficient capacity and robustness to accommodate the additional demands of any of the new measures that will be installed (further infrastructure advice can be provided by the utility network operators).

1. The recommendations report must highlight which measures are eligible and which are highly recommended for the dwelling and also include recommendations for any additional measures that cannot be recommended by the assessment software but are deemed appropriate for the dwelling by the Retrofit Coordinator. This includes ancillary works such as enabling measures and/or post-install aesthetics. It should also recommend water saving measures provided for free by water companies, if available and suitable. For example: tap and shower aerators, water hippo for cisterns and shower timers
2. The report should also detail any conservation/listed building issues, local planning issues and whether or not the installation requires planning consent and/or Building Control approval. The report will also detail where measures cannot or should not be installed and the reasons for this. Where a utility upgrade is required, the Service Provider will be responsible for managing this process and providing the customer with all the necessary information to facilitate their application.
3. Where no measures are found to be suitable for the dwelling, this must be explained to the customer and reported to the GLA.

## Stage 4: Offer to the Household and/or Homeowner

1. The Service Provider will use the recommendations report to determine which measures are offered to the household and homeowner. The offer shall be made in writing detailing;

* what measures are appropriate for the dwelling and, of these, the measures which could be installed and funded;
* implications of the proposals, including any ongoing maintenance requirements
* quotation for each measure and the total cost of the works
* any enabling measures to be included;
* a retrofit plan and timetable detailing the end-to-end installation processes;
* any advance preparations the household/homeowner should make, such as clearing access to the installation site(s);
* how the household/homeowner can identify each installer as being instructed by the Service Provider;
* where necessary, the Covid safe practices that will be deployed by Assessors and Installers;
* that the offer is subject to the Homeowner’s signed agreement;
* that, if the Customer chooses to cancel once the installation is in progress, they may be liable for any costs incurred.

1. The service provider will arrange a contract covering the agreed package of measures between the applicant and the installer and provide the GLA with a copy of each package of measures identified for the home.

## Stage 5: Installation of measures

1. The Retrofit Coordinator will establish and manage procedures for verification that installation is carried out in accordance with the PAS 2035 standards, and other good practice guidance.
2. The Service Provider will engage the household / homeowner to agree a timetable for installation to take place. The Retrofit Coordinator should be in communication with the household/homeowner and installers throughout the installation, offering support and troubleshooting any issues that arise.
3. The Retrofit Coordinator will implement a detailed methodology and programme for ensuring inspection and testing of the works. The Management Agent and Retrofit Coordinator will manage procedures for inspections, witnessing and approval for acceptance of the works to maintain quality requirements.
4. The Service Provider shall arrange for all relevant documentation to be provided to the applicant upon completion of the work, including information on the measures installed and any associated user guides, warranties or guarantees.

## Stage 6: Inspection

1. The Service Provider will arrange for an on-site inspection of every Installation to be completed within 5 Working Days. The Inspection must not be carried out by any individual involved in any aspect of the installation, but the Service Provider should ensure that inspectors are suitably competent to assess each installation against the requirements of the technical Specification of the measure (e.g. PAS 2030 / MCS)
2. Where the Inspection identifies any snagging issues, flaws in the Installation, faults with the Measure(s) resulting in the need for remedial works, the Service Provider must arrange for these remedial works to be carried out within 5 Working Days. The Installation must then be inspected again within 5 Working Days. The cost of such remedial works on inspection shall be borne by the Service Provider.
3. The Service Provider must keep records of all inspections and act upon them to improve service delivery, where appropriate. Such records should include, for each installation:

* the date of each inspection;
* the reasons behind any failed inspection, including any health and safety failures;
* what, if any, remedial actions were recommended and when they were concluded; and
* any other action taken as a result.
* Completion information

1. An Installation and inspection must be Completed before it is invoiced by an Installer to the Service Provider. The Service Provider will be responsible for validating invoices.
2. After successful inspection, the Service Provider must lodge a follow-up Energy Performance Certificate against the dwelling. The Service Provider will provide homeowners with a post completion pack, including escalation procedures (snagging, complaints etc) and guidance criteria for upgraded works. When an Installation is completed, the Customer’s Application is closed.

Project Close Out

1. At project closeout the following will apply:

* The Retrofit Coordinator will oversee the handover of each project, ensuring the Installer has responsibly tested and commissioned new systems before handing them over, the Retrofit Coordinator will also be responsible for carrying out monitoring and evaluation under the PAS 2035 process.
* The Service Provider will be tasked with inspecting the works and preparing a post project review. The purpose of the review is to look at the effectiveness and efficiency of the project delivery process.
* The Service Provider will develop a lesson learned report, focusing on how things could be done differently in the future. The aim is to identify:

- successful strategies that might be adopted in the future

- procedures or resources that could be improved

- best practice

- cost vs budget

- project progress relative to milestones

- number of complaints

- number of incidents / accidents

- number of defects

- number of disputes

* The Service Provider should undertake a KPI review to assess the overall performance of the project.
* TrustMark reserve the right to undertake and audit on any measures that have been completed under the contract. Where non-conformity is identified TrustMark may notify the GLA or any other relevant party.
* Prior to the termination date of any contract, the Service Provider will develop and agree with the GLA a proportionate exit management plan for the contract.
* The Service Provider shall work with the GLA and any other providers of services as necessary, to ensure a smooth and seamless transition between Service Provider and/or providers of services where this occurs
* The Service Provider shall be responsible for all transition arrangements to and from any other providers of services, in accordance with any relevant professional guidance and the requirements of the GLA, including but not limited to:

- TUPE arrangements (if relevant);

- supply of appropriate records (all information and data relevant to the Agreement must be made available to the GLA and/or a replacement Provider); and

- regular updates to the GLA on the transition process.

## Data management and handover

1. Data management during contract, including easy access to the underlying data for performance / KPI reporting.

## Data at end of contract / transition

1. The Service Provide is required to provide the GLA, or GLA nominated organisations, with good and timely access to data including, if required, a full data set.

### Finance

1. The Service Provider will be responsible for budget management and will be expected to:

* negotiate costs for works and ensure best value for money on each installation
* work with ECO providers to access and maximise funding, ensuring ECO funding is deployed first
* provide the necessary reporting to ECO providers to ensure compliance with regulations
* seek to draw in additional funding to allow further measures to be installed – e.g. leveraging the Renewable Heat Incentive, by working with boroughs who might have access to funding through their carbon offset fund or leverage other sources of funding.
* Signpost able to pay customers to FCA accredited advisors’ in order to secure finance for retrofit measures.

## Management and review

1. The Service Provider will manage the scheme to ensure it is meeting targets whilst maintaining a strong focus on quality. This will require:

* putting in place data protection, sharing and management processes with the GLA, boroughs and any other organisations involved in delivery of the scheme in line with the role of Data Controller
* allocating roles and responsibilities under the Construction Design and Management (CDM) Regulations, as applicable
* managing any complaints which are received in line with the agreed policy and procedure
* ensuring there is enough capacity allocated to the scheme to ensure high quality delivery to households and KPIs and SLAs are met
* an ongoing review of delivery to ensure continuous improvement and value for money. For example, Retrofit Co-ordinators should benchmark against a schedule of rates and negotiate to get the best price

## Monitoring and reporting requirements

1. The Service Provider will agree a reporting template with the GLA and will report on the:

* number and status of applications (weekly)
* number of jobs completed, and budget allocated (weekly)
* number, category and status of complaints (weekly)
* type of measures installed and costs (monthly)
* estimated CO2 and energy bill savings (monthly)
* performance against KPIs (monthly)
* performance against SLAs (monthly)

1. The tasks required are anticipated to follow the same processes set out in Stages 1-6 above unless agreed otherwise with the Service Provider. Potential variations are currently anticipated to relate to the different referral routes in to the scheme which will affect eligibility checks, and the processing of payments.

# Diversity and Inclusion Plan

1. The Service Provider will prepare an equality, diversity and inclusion plan to ensure that throughout delivery the supply chain and households benefitting from the programme best represents London diverse population.
2. The plan is expected to include understanding the diversity of the supply chain and households. Actions to address any underrepresentation will be identified and progressed.
3. The Service Provider must report at least quarterly on progress against the plan, including how main KPIs show performance across London’s diverse population.

# ROLES

## The GLA

1. The GLA will be responsible for making strategic decisions in relation to the scheme. These may include, but not be limited to, changes such as to the eligibility criteria, the policies and procedures or the timeframe for the scheme.
2. The GLA will arrange the marketing of the scheme through their website, any press release and other associated communications channels. The main marketing activity will be managed indirectly through the local authority referral networks funded through the Warmer Homes Advice Service.
3. In relation to developing and trialling approaches for the able to pay sector, (subject to further approval) the GLA will lead any development work and the approach(es) themselves, including but not limited to any eligibility criteria, processes, policies, marketing materials, terms and conditions, customer interface or other materials generated to support delivery.
4. The GLA will be a Data Processor for the purposes of dealing with queries or complaints and conducting audits.
5. The GLA will provide a project manager who will be the day-to-day client for this contract. They will:

* oversee the overall management (including financial), operation and delivery of the Service Provider from the GLA perspective to support management of the contract
* specify and receive various performance reports and request relevant information from the Service Provider
* act as a key contract contact point for questions, proposals or requests from the Service Provider
* oversee and quality assure the Service Provider’s delivery of contractual KPIs and SLAs including conducting desk-based audits of applications and audits of homes
* provide escalation support to the Service Provider
* support stakeholder engagement activities
* co-ordinate any internal approvals required for delivery.

## 

## Service Provider

1. Service Provider will be responsible for the end-to-end delivery of Warmer Homes 3. They will need to ensure delivery against the requirements set out above. To do this they will:

* undertake overall scheme management
* ensure there is enough capacity to deliver the scheme, noting the emphasis on quality by the GLA and the requirements to both deliver the fuel poverty element, and (subject to further approval) developing and testing able to pay approaches
* support applicants throughout the process
* identify and allocate scheme resources including a Retrofit Coordinator
* arrange and conduct all the technical elements of the process, from survey through design to installation
* maximise funding, including accessing funding from other sources
* support delivery to those able to pay
* deliver the requirements, KPIs, and SLAs to a high-quality with an auditable process.

1. The Service Provider will be the Data Controller in respect of all Personal Data collected and processed for the contract. They will be responsible for implementing all measures, policies, processes and training necessary to fully comply with their obligations under the Data Protection Legislation in this capacity, and as required to process all relevant categories of data, including ‘special category’ data. They will be required to put in place a data sharing agreement with the GLA. As well as, data processing agreements with boroughs and, with those boroughs who are leading on delivery of the Warmer Homes Advice Service being a priority.

## Local Authorities and their partners

1. Local authorities have a role to play in helping to identify eligible residents, formally through their delivery of the Warmer Homes Advice Service (see https://www.london.gov.uk/what-we-do/environment/energy/warmer-homes-advice-service) and informally through wider activity to support vulnerable residents and address fuel poverty. They will also determine eligibility for ECO Flexible Eligibility. As such, they will help with:

* marketing of the scheme
* resident acquisition
* giving support to people applying to the scheme on the GLA website
* providing feedback on the scheme
* assessing ECO Flexible Eligibility applications and issuing declarations in line with the GLA’s Statement of Intent.

## Key knowledge and competencies

1. The Service Provider is expected to have a proven track record of excellent customer service across all areas and have the following knowledge and experience:

* extensive knowledge of and experience in managing domestic energy efficiency schemes generally and fuel poverty schemes more specifically including:
* developing, implementing and reviewing policies, processes and procedures to ensure schemes meet their KPIs and deliver a high-quality value for money service
* putting in place applicant management systems which allow for each application to be tracked throughout the overall applicant journey
* processing and managing applications
* working with external stakeholders to assess eligibility criteria where necessary
* reporting on the scheme as required
* compliance with data sharing and data protection requirements
* supporting vulnerable people to ensure they can participate in and benefit from the scheme
* delivering high quality installations with an emphasis on a holistic approach to assessing the home, including:
* PAS 2035:2019 for retrofit assessment, design, coordination, inspection and quality assurance
* PAS 2030:2019 for all works carried out
* when the application of an insulation ‘system’ is required, the insulation system manufacturer installation training is required for at least one person on any one site
* proven ability to access Energy Company Obligation funding and ensure compliance with all necessary government and Ofgem reporting requirements
* demonstrable understanding of the issues and challenges within the energy efficiency sector with evidence of a strong understanding of the existing literature, projects, offers and regulatory framework
* ability to manage multiple schemes simultaneously, including schemes with different eligibility criteria.

# DELIVERABLES / MILESTONES

1. The Service Provider will cover all the requirements set out and deliver the targets/KPIs stated in this specification.

## 

## Service Level Agreements (SLAS)/Key Performance Indicators (KPIS)

1. The Key Performance Indicators (KPIs) from this phase of the Warmer Homes schemes are as follows:
   * support to 3,000 fuel poor households
   * annual fuel bill savings of £845,400
   * annual CO2 savings of 3,270 tCO2/yr.
   * annual energy savings of 11,180,000kWh
2. Scheme performance will also be monitored against the following SLAs

| **Action** | **Requirement** |
| --- | --- |
| Responding to new applications with a confirmation e-mail | Within 1 working day |
| Responding to applicant enquiries | Within 1 working day |
| Processing application deemed ‘urgent; | Prioritisation of urgent cases on a case by case basis |
| Assessing applicant eligibility | Within 5 working days |
| Arranging technical assessment | Within 10 working days |
| Putting together a package of works to send to the applicant | Within 5 working days |
| Sending out the contract to the applicant upon agreement of works | Within 5 working days |
| Getting a date for installs agreed | Within 10 working days |
| Installation | Within 15 working days |
| Post completion audit | Within 10 working days |
| Sending out the post completion guarantees | Within 5 working days |
| Sending out the post completion resident satisfaction survey | Within 5 working days |
| Telephone audit of competed applications | 5% |
| Fixing application form errors which result in the system going offline | Within 1 working day |
| Reporting on the scheme to the GLA | Weekly |
| Reporting on the SLAs to the GLA | Monthly |
| Responding to queries from the GLA | Within 1 working day |
| Health & Safety incidents | All incident that breach H&S regulation to be reported to the GLA as set out in the monitoring and reporting requirements |
| Resident satisfaction | Above 90% scoring good or excellent |
| Number of complaints | Below 5% of total applications |
| Funding leveraged | Achievement of additional funding identified in the tender response |

1. Should the Service Provider underperform against the SLAs they may provide the rationale to the GLA. If the GLA is not satisfied with the rationale for underperformance, at its sole discretion, the GLA may issue a written notice of underperformance. This is linked to an incentivisation model as outlined below.
2. The following targets across KPI’S are proposed. Bidders may propose an alternative trajectory for KPIS. At its sole discretion, the GLA will determine whether the alternative trajectory may be used if the bidder becomes the Service Provider.

| **Month** | **Minimum Target # fuel poor households supported (cumulative)** | **Minimum Target annual tC02 savings (cumulative)** | **Minimum Target annual fuel bill savings (cumulative)** | **Target SLA achievement** |
| --- | --- | --- | --- | --- |
| 1 | - | - | £ - | 0 notices |
| 2 | - | - | £ - | 0 notices |
| 3 | 60 | 65 | £ 16,908 | 0 notices |
| 4 | 200 | 218 | £ 56,360 | 0 notices |
| 5 | 450 | 491 | £ 126,810 | 0 notices |
| 6 | 725 | 790 | £ 204,305 | 0 notices |
| 7 | 1,000 | 1,090 | £ 281,800 | 0 notices |
| 8 | 1,250 | 1,363 | £ 352,250 | 0 notices |
| 9 | 1,600 | 1,744 | £ 450,880 | 0 notices |
| 10 | 1,950 | 2,126 | £ 549,510 | 0 notices |
| 11 | 2,300 | 2,507 | £ 648,140 | 0 notices |
| 12 | 2,450 | 2,761 | £ 690,410 | 0 notices |
| 13 | 2,600 | 2,834 | £ 732,680 | 0 notices |
| 14 | 2,800 | 3,052 | £ 789,040 | 0 notices |
| 15 | 3,000 | 3,270 | £ 845,400 | 0 notices |

1. The proposed methodology for calculating carbon and energy bills savings KPIS are set out in Appendix 1, unless agreed otherwise by the GLA.

# EVIDENCING KPI ACHIEVEMENT

1. The Service Provider must collate, calculate and verify KPIs to ensure that interventions are recorded and an audit trail is retained to prove their validity.
2. To evidence achievement of KPIs and other SLAs the Service Provider will report progress providing evidence including:

* Number and status of applications received – weekly, monthly and cumulatively
* Number of homes retrofitted, and measures installed, evidence through sign-off of the works and ECO declarations
* Tonnes of carbon saved – calculated as set out in Appendix 1
* Funding leveraged – evidence through report to the GLA

1. Reporting on SLA performance – evidenced through management reports

Indicative Project Plan

|  |  |
| --- | --- |
| **Action** | **Timeframe** |
| Contract award | Early January 2022 |
| Scheme mobilisation | January / early February 2022 |
| All installs complete and KPIs achieved | End March 2023 |

# SCHEME BUDGET AND FUNDING

1. The table below sets out the budget for financial years 2021 – 2023. The service management budget is exclusive of VAT. The Grant Funding Allocations budget should include all irrecoverable VAT that the bidder cannot claim back.
2. The total budget bidders should bid against for the two-year contractor is set out below. This contains the £30m funding from the GLA, but ECO leverage and delivery in the able to pay sector are additional values that aren’t guaranteed and will be for the Service Provider to secure. The table below sets out assumed delivery levels of these. These should not be taken as maximums as the Service Provider is expected to increase these, where possible.

|  |  |  |  |
| --- | --- | --- | --- |
|  | **FY 2021 – 2022 (£000)** | **FY 2022 – 2023 (£000)** | **Total (£000)** |
| Charges (Service Management) | 7 | 634 | 641 |
| Grant Funding Allocations | 450 | 29,550 | 30,000 |
| **Sub-total (Budget to bid against)** | 457 | 30,184 | 30,641 |
| Assumed ECO leveraged by Service Provider | 150 | 9,850 | 10,000 |
| Assumed private landlord contributions | 12 | 1,153 | 1,165 |
| Assumed able to pay delivery | 0 | 1,000 | 1,000 |
| Totals | 619 | 42,187 | 42,806 |

1. There is headroom within the Procurement to deliver up to £175m through the contract. This allows the contract to potentially be extended for a further three years (assuming Mayoral approval and additional funding), as well as leverage of ECO funding, and potential delivery within the able to pay sector for the duration of the two-year contract and possible extension.
2. The Service Provider is expected to leverage additional funding wherever possible. This will include, but is not limited to, Energy Company Obligation funding. Warmer Homes Advice Service, borough carbon offset funds, redress using or any other suitable funding which is made available during the scheme.
3. The budget stated above should be used for the purposes of your tender. However, the GLA reserve the right to amend the value of the final contract. In this case, targets will be reviewed against the available budget.

# APPENDIX 1 - KPI CALCULATION

The following methodology is proposed to calculate carbon savings:

* Carbon savings will be calculated as follows, in line with the principles set out below and using the most recent DEFRA GHG factors:
* Building fabric retrofit; reductions in demand for heating (kWh) will be calculated according to the modelled heating consumption of the dwelling before and after installation of the measure and multiplied by GHG factor for the heating fuel.
* New heating systems: GHG savings will be calculated as follows: (Building heat demand x efficiency of existing system X heating fuel GHG factor)- (Building heat demand X efficiency of new system X heating fuel GHG factor)
* Renewable energy: outputs from the renewable energy installation will be calculated according to manufacturer’s data, system size and location, and the GHG factor for the fuel that is being offset.
* Appliances, cooking, ventilation and lighting: this will be calculated as follows: (estimated existing appliance energy consumption x GHG factor).
* Whole house retrofit: this will need to take into account the GHG savings from the whole package of measures, in the order they are applied.
* When installing renewable or energy efficiency measures, the manufacturers specification for the technology or product should be used to evidence the kWH generated by technology. Included om this should be a reference to an independent verification that supports the claim of the manufacture.
* To provide more accuracy, verification evidence needs to take into account the following principles, in addition to the manufacture’s specification:
  + The current performance of the installation or building element (e.g. the heat demand of a building, the efficiency of a heating system, or the area and the existing U-Value of a wall).
  + The size and rating of the installation (e.g. the area of solar PV panels, the thickness of insulation used).
  + The location of the installation (e.g. whether solar PV panels are facing south, southwest or east).
  + The fuel which is being replaced or reduced (e.g. hot water from a solar thermal system could be offsetting gas consumption or electricity consumption).
  + The order in which energy efficiency measures are applied (e.g. energy savings resulting from the installation of a more efficiency heating system are greater if it is installed before building fabric measures that reduce heat demand, though this would not be advisable as it would result in an oversized heating system). To evidence energy bill savings, it is proposed that ECO3 Deemed Scores are used. This information is provided by Ofgem: https://www.ofgem.gov.uk/publications-and-updates/eco3-deemed-scores

# APPENDIX 2 - DEFINITIONS

| **Term** | **Definition** |
| --- | --- |
| Ancillary work | means those works that might arise when making a home suitable for retrofit. It could cover any building defects that might need to be resolved before applying a retrofit solution such as wall insulation or the removal of a gas boiler or cabinetry installed to accommodate hot water tanks or a heat pump. Such works may also include the temporary removal and storage of furniture from the works area, where it is not feasible for the household to manage this themselves. The definition also encompasses post-install aesthetic work for the purposes of making good. |
| Call-off service contract | A contract between the [Lead Authority] and the Service Provider awarded in accordance with the Framework Agreement |
| CDM Regulations | Means the Construction (Design and Management) Regulations 2015; |
| Contract | Means the framework agreement and schedules |
| Data | any data, document or information however stored that is:  - communicated in writing, orally, electronically or by any other  means by the Authority to the Service Provider;  - obtained by the Service Provider during the course of the  Service Provider providing the Services; or - compiled for the Authority by the Service Provider during the  course of the Service Provider's provision of the Services; |
| Data Controller | shall have the same meaning as set out in the General Data Protection Regulation (Regulation (EU) 2016/679); |
| Data Processor | shall have the same meaning as set out in the GDPR; |
| Data Protection Legislation | means (i) the GDPR and any applicable national implementing Laws as amended from time to time (ii) the DPA 2018 to the extent that it relates to processing of personal data and privacy; (iii) all applicable laws and regulations relating to processing of personal data and privacy; |
| ECO | Energy Company Obligation |
| Eligible measures | Are any energy efficiency and heating measures compatible with the Standard Assessment Procedure (SAP) and within the measure type list below that will help improve EPC Band D, E, F or G rated homes. This is with the exception of fossil fuel heating systems (including the installation of a new fossil fuel-based heating system or the replacement or repair of an existing fossil fuel-based heating system with another fossil fuel-based heating system).  Repair and replacements for faulty gas boilers will only be permitted for fuel poor households, in cases where low carbon alternative heat sources cannot be provided with the funding available. This can also be considered where the household has an urgent need for heating and hot water.  Measure Type to include: - External solid wall insulation - Internal solid wall insulation - Under-floor insulation: solid floor - Under-floor insulation: suspended floor - Cavity wall insulation - Loft insulation - Flat roof insulation - Room in roof insulation - Pitched roof insulation - Park home insulation floor - Park home insulation roof - Park home insulation wall - Air source heat pump - Ground source heat pump - Hybrid heat pumps - Solar thermal - Biomass boilers - Draught proofing - Double glazing - Triple glazing - Secondary glazing - External energy efficient doors - Heating controls - Hot water tank thermostats - Hot water tank insulation - Broken boiler replacement (renewable heating) - Broken boiler repair (renewable heating) - Boiler upgrade (renewable heating) - Electric storage heating replacement (Solar PV) - Electric storage heating repair (Solar PV) - Electric storage heating upgrade (Solar PV) - District heating system new connection - District heating system CHP upgrade - District heating system heat meters - Solar PV  And any other measure type agreed in writing by the GLA. |
| Framework Agreement | means the framework agreement comprising these conditions and the schedules thereto; |
| GLA | Greater London Authority |
| Grant funding allocation | Funding provided by the GLA that is from the Government’s Sustainable Warmth programme |
| Installation | means the installation works which will be carried out by the Installation Works Contractor to install Eligible Measures in homes identified by the Service Provider as eligible for these measures; |
| Invitation to Tender (ITT) | This invitation to tender issued by the GLA; |
| Key Performance Indicators (KPIs) | Means those as detailed in item 14.2 of this Service Specification; |
| Legislation | All relevant Acts of Parliament and statutory regulations, instruments or orders, guidance, codes of practice, by-laws and directives and all retained European Union legislation, which may be in force during the Framework Period, as enacted, amended or interpreted from time to time; |
| Service Provider | means the organisation named at the beginning of this Agreement and, if the context so permits, any of the Service Provider's officers, Staff, Sub-Contractors or agents; |
| Personal Data | shall have the same meaning as set out in the GDPR |
| Service Provider | The entity delivering the Services |
| Services | the Service Provider services as more particularly set out in the Specification; |
| Specification | this document setting out the Services required to be provided by the Service Provider and related matters; |
| Staff | all persons engaged, appointed, employed or deployed by the Service Provider or any sub-contractor of the Service Provider in the provision of the Services; |
| WHAS | Warmer Homes Advice Service |
| Working Day and Working Hours | a day between 9am and 5pm Monday to Friday inclusive other than a day which is a public holiday or bank holiday in England and Working Hours shall be construed accordingly. |

# APPENDIX 3 - ECO FLEX FLOW CUSTOMER JOURNEY/FLOW MAP

