

# Hertfordshire Solar Bulk Buy Scheme

## Joint district working

**Below are some due diligence FAQ's to assist with the approval process.**

### **1) Why iChoosr? Are there other companies who offer the same thing?**

iChoosr and UK Energy Hub are not aware of any other organisation offering a comparable service. There are considerable barriers 'to entry' in the development of the process and systems which means it will not be easy for others to deliver schemes at the same scale with the same assurances and protection for customers. Most councils follow the precedent set by others. The exception has been Devon which put a notice on its procurement portal and received no relevant responses and London which did the same when renewing the contract after the initial 4 year term.

### **2) What is the predicted take up rate?**

In terms of take-up rate, iChoosr assume that 3.3% of those sent direct marketing letters (DM) would sign-up. This is a conservative estimate and iChoosr report that they always exceed this take up rate in practice.

### **3) Why the intervention in the market?**

The operator negotiates the best deal on behalf of the homeowners, maximising the economies of scale. Without such discounts and marketing many homeowners would otherwise not take up solar panels. They also benefit from confidence that the solar suppliers are pre-approved and will be of high quality. The scheme unlocks significant scale of private investment in solar which wouldn't have otherwise been possible, and at limited / no cost to the Local Authority.

### **4) What savings can our residents expect**

The final cost of the PV units won't be known until auction, however iChoosr report that between 20%-30% discount against an individual purchase could be available (subject to current market forces).

### **5) What if my neighbour found a cheaper installation?**

As with any purchase, it is likely you can find a product cheaper, however iChoosr offers a quality product, with approved installers and warranties. The resident is under no obligation to progress with their quote and can therefore make an informed decision on their purchase.

### **6) What are the outputs/outcomes/measurable's for each of the parties?**

**Homeowners:** It maximises number of households accessing renewable energy, at a much reduced rate than they would otherwise be able to negotiate on their own. Once there is sufficient sign-up, the operator of the scheme will go out to the market, with a request for quotation for a certain number of panels, based on the sign-up rate. The solar panel providers then compete on price to win the contract to provide and install the solar panels – offering a price which is discounted compared with market rate. Homeowners also benefit from high quality PV as the installing contractors allowed to participate in the auction have been vetted by the bulk-buy provider.

**Local Authority:** Maximises the number of homes switching to renewable energy, helping to reduce greenhouse gas emission and local air pollution. Helps to deliver on Climate Crisis objectives, and retrofitting existing private housing stock which would otherwise be difficult to enable. Numerous local authorities have already run this scheme (GLA, Cambs, and Suffolk CC etc.). It is also expected to run at no net cost to the authority as it involves a targeted letter campaign to households most likely to sign-up, and is at a scale to reach enough households to ensure take up is sufficient to pay back the authority's cost.

**iChoosr:** As brokers, they take a commission for negotiating the purchase of the solar panels and benefits from using the authority's address data linking them up with potential customers. This connection also reduces GDPR concerns and improved the homeowner 'trust' that comes with a partnership with the Local Authority.

**The installing contractor/installer:** They win significant contracts to sell and install solar panels.

**7) Is there min of Expression of Interest (EOI) that needs to be collected before auction is initiated? Could the auction be postponed?**

With regards EOI from Local Authorities, yes, if we do not have enough households to target with 100k letters then it would be delayed until it could be combined with neighbouring authorities.

With regards EOI from households registering, technically yes but we have a proven model which we know will deliver the required volumes for a viable auction.

With regards the volume of households accepting the offer, no, this would not cause delay. We do not guarantee fixed volumes to winning installers.

**8) Most customers are lay-people, what pre-information is available to help them decide?**

This product works well as iChoosr give the customer the information in advance to help them make an informed decision, prior to committing to purchase. Following the issue of the DM letter, customers are invited to visit the iChoosr website to research and ask relevant questions, even after they register their interest they still have opportunities to liaise and work with the appointed installation contractor on the right product for them, prior to final installation and a commitment to pay.

**9) Can we make changes to the DM correspondence**

Yes, whilst the main body of the letter has been written by iChoosr to target their specific audience to help achieve max uptake of the offer, there is scope to add items relevant to the Local Authority i.e. 'Planning permission may be required' etc... (See Q20).

Example text: *\*Solar Together XXX - buying solar panels and battery storage made easy.*

*\*Solar Together is a group-buying scheme that helps you through the process, keeping you informed at every stage. Installations will generally not need planning permission. However in some cases, such as in Conservation Areas and on Listed Buildings, planning permission may be required. For planning advice please visit [Insert web address for planning authority] [www.xxx.gov.uk/planning](http://www.xxx.gov.uk/planning), or call xxxx on 01xxx....*

## 10) What other ways can we promote the scheme?

Once we confirm which Local Authorities are joining the scheme, further Officer and comms team meetings will be set up to agree the comms messaging, as there have been nationwide issues with fraudulent 'going green' offers making residents wary to take up genuine offers i.e. [Being a confident eco-friendly consumer - Citizens Advice](#), and by badging the DM letter with the logo of the authority for their areas' letter drop will help re-inforce to residents the credibility of the offer (NB, all DM's will also contain the HGC and HCC logos).

We will also agree a 'route to customer recourse' in the event of any issues, i.e. regular reporting from HGC to the Officer group to capture whether issues are isolated to one event or whether there is a county wide installation problem and have processes in place to address potential reputational issues, and by making each customer service area aware of the project we help to ensure the customer experience is the same as any other 'business as usual' process.

iChoosr have a wealth of information on their website that they share with those that sign up, this is not shared in advance due to the way they protect their business model and as soon as we sign the contract we will be able to assess what information may be missing for our resident i.e. create a FAQ's video/webinar.

It is anticipated this work will commence between 'contract signing' deadline and 'DM' content deadline.

## 11) At what point is the customer committed to the purchase of the panels?

Following receipt of the DM letter campaign the customer registers for free, and with no obligation, their potential interest in purchasing PV's (usually circa 1-3% of the letters issued). iChoosr then conducts the auction with the installers who were successful in passing the qualification process. The auction determines the offers for installations 4-50 panels. A personalised offer is sent to the registrant for consideration. If they accept they pay a £150 deposit, following this a desktop and then a site visit/survey is carried out. The customer's requirements are discussed and finalised - the customer can check online the cost of the changes they have made e.g. adding another panel or including a battery.

The customer can withdraw their interest any time **before** installation (and subject to T&C's have their deposit returned) and payment for the goods is not made until after installation. If at any time during the pre-installation process the installation is not possible then the customer is not obliged to continue with the installation, e.g. can't achieve planning if required, or panels can't be fitted to building etc.

## 12) Who owns the product?

The customer outright purchases the PV panel and installation. There should be no issues on ownership should the customer wish to sell their property with the panels.

## 13) What is the Electric Vehicle (EV) option listed in the proposal?

EV is an option iChoosr introduced as an add-on for this year's cohorts i.e. you can add it to solar and or storage but not have it stand alone. Unsurprisingly take up has been low (c10%) as people will want a point fitted when they buy an EV rather than wanting to arrange it through our scheme which does not provide immediate installation, however with an ever changing economy and increasing waiting lists for new EV's this could change.

**14) Will EV and battery storage be subject to the same level of scrutiny as the solar PV to ensure they represent best value for money?**

Yes, iChoosr sets product requirements to ensure quality, suitability and value, but pricing may not be standardised as 'one price for all'

**15) We understand that there may be some extras that may not be made known up-front, i.e. extra batteries for max storage capabilities, wire to stop bird nesting, are these standard items within the industry or do they differ dependent upon the installing contractor?**

The prices for extras are fixed in the auction.

**16) Will the contractors be aware of any grants for EV charging points that could be available to homeowners for installations to ensure homeowner are not paying for something they could have obtained for free?**

Yes, current requirements include that the installer is OZEV registered and we will continue to monitor and update the grant landscape to ensure homeowners are not disadvantaged.

**17) We understand the scheme can also work if you already have panels, not just for those newly adopting solar power, is this correct and are these included the DM, if not, could these be added?**

Households with PV can register for retrofit storage through the scheme. They could also apply for a new array to be added, although this would be a separate system with its own inverter - you can't just add on more panels.

**18) We understand that it takes approx. 12 weeks after installation to get the permission from the District Network Operator (DNO) to export to the grid?**

The installing contractor will apply to the DNO on behalf of the customer. After the survey the installer will start this process and book their installation accordingly, it generally should not be the case that the customer is installed whilst still waiting for DNO approval.

You cannot apply for a Smart Export tariff until you have your MCS certificate after installation, this is provided in the handover pack sent to a customer after they have paid their invoice. It can take approximately 2 weeks after install for the handover pack to arrive (assuming customer pays within 10 day payment terms). Customer will also need to ask their energy supplier to fit a SMET2 smart meter to benefit from a SEG tariff, we recommend they start these conversations as soon as possible.

**19) We understand that there needs to be a change to the customer's way of using power in order to achieve max benefit i.e. use the washing machine/dishwasher/tumble dryer at noon when there is lots of sun and its being powered directly off the panels, rather than in the evening and running off the batteries (and potentially the grid once you have drawn down all the stored energy). Is this made known to the customer how to make the most of the product?**

The customer has a full briefing in the handover from the installer during which these types of things can be discussed.

**20) What considerations are there with regards planning permission requirements, both with PV and EV? And, in the case of EV charging there will need to be agreement from the Highway Authority on installation of EV where it involves dropped curbs i.e. no trailing cables over the pavement or highway?**

**Do iChoosr make it clear about the suitability criteria for PVs & EV for households? In particular in conservation areas where permitted development rights may have been removed?**

iChoosr is not currently making the recommendation for EV charge points as it is not included as standard within the solar panel offer. The installers will make a recommendation to the customer for an EV charge point based on their circumstances and requirements, this recommendation will take into account planning requirements and safety requirements - i.e. not taking cables across pavements.

Regarding planning permission in general, we advise customers that they need to check with their local authority regarding planning as requirements vary, but we give some generic advice on our website: <https://solartogether.co.uk/adur/info/planning-permission>

**DBC Planning department confirmed the following:**

*Some PV is PD – see Class A of Part 14. If the limitations / conditions within that Class are exceeded then a planning application is required. The same applies to electrical outlets for recharging vehicles and electrical upstands for recharging vehicles, which are considered under Class D & E of Part 2, respectively.*

*If a resident makes an enquiry we would try and make a quick assessment based on the PD rules (known as the General Permitted Development Order), but ultimately we would advise them to make an application for a Lawful Development Certificate if they want a formal answer to the question, “Do I need planning permission for...?”*

*These rules are applied national (i.e. for each of the LA’s). We don’t see any issue with us promoting PV and EV installations, but would advise the standard caveat ‘subject to planning – please check whether planning permission is required’. We would also advice that the purchaser checks with Hertfordshire Building Control for any Building Regulations that may be required.*

**21) How will the contractors ensure that roofs are structurally sound to take the weight of the systems being installed? Will there be any Building Control involvement or structural engineers to confirm the roof is suitable to take the weight of the system proposed?**

All Solar Together installers have to be MCS accredited and therefore must install solar PV in line with the Solar PV standard MIS 3002. MIS 3002 includes calculation methodologies for ensuring that the roofs can withstand loads imposed by the system, and guidance outlining in which scenarios a qualified structural engineer should be consulted in the design process.

Most installs are permitted development and where they are not, iChoosr and the installer will advise the registrants.

**22) Can we combine this scheme with our Green Homes Grant (GHG) work – i.e. where we are signing up homes for solar PV we could refer to the scheme for installation?**

The scheme is targeted at those 'able to pay' and therefore does not work in conjunction with the GHG, which does not cover PV's.

**23) How are customer service issues usually dealt with? Is the route for complaints/issues as follows:**

**Stage 1 = Installation contractor;**

**Stage 2 = iChoosr;**

**Stage 3 = relevant local authority/customer services department?**

Correct; however issues should be limited as the provider provides regular update/delivery reports and iChoosr provides a regular customer service report and should the customer be unhappy with the service, they contact the provider in the first instance, should the issue not be resolved this will be escalated to iChoosr to resolve.

iChoosr has worked with over 150 local authorities on the energy switching and solar schemes since 2012 and appreciates the requirement for excellent customer services to minimise complaints and, where they do occur, the importance of managing them.

During the period 2020-2021:

- iChoosr has delivered 22 Solar Together schemes with 14 local and combined authorities
- 16,571 residents have accepted offers and passed to winning installers for their surveys
- 4,288 installations have taken place
- During that time iChoosr handled 86 complaints made to Local Authorities, meaning these account for 0.5% of acceptances and 2% in installations

**24) What happens if the customer is un-happy with their customer experience/process?**

If the customer feels their issue has not been resolved through either the provider or iChoosr then they should be afforded the option to escalate their issue through their respective Local Authority.

The following options have been set up by for other Solar Bulk, Buy campaigns i.e. Cambs:

- a) Each LA issues their own customer service number and treats the scheme as 'business as usual' (with support from an Officer for their respective authority) or
- b) Herts CC Sustainability Partnership board considers allocating a Member to represent/be main point of contact for all the LA's, with support from an Officer for their respective authority, liaison with iChoosr (this has been successful for the Suffolk scheme).

See Q10 Officer/comms meetings to agree the 'best customer experience' process in the event of an issue.

## 25) What is the Qualification process for installers

The qualification procedure includes provision of:

- Evidence of MCS certification plus either HIES or RECC certification
- Evidence of a CRM system that enables them to manage a high volume of customers
- Evidence that the installer can realise an Insurance Backed Guarantee for workmanship
- Evidence of Insurance policies that cover liability, works and indemnity
- Annual Accounts
- Details Of Organisation And Employees
- Evidence of Customer Satisfaction Results

## 26) What is the specification being suggested for the installs, are they string inverters, or micro inverters and how are they being monitored for failure?

We do not currently offer micro inverters through the scheme, the inverters are string inverters. We allow installers participating in the auction to select which brands they will use, however they must specify which brands will be used upfront and they are obliged to comply with the fixed conditions defined by iChoosr to ensure product quality.

Customers will be aware of what brands are being offered before they choose to go ahead with the installation and will be able to access downloadable product spec documentation and all components must be rated as per the requirements in MIS3002.

The systems installed through Solar Together schemes come with monitoring software.

## 27) What is the monitoring system? Are customers able to engage to check on performance?

The monitoring system will be unique to the panels used for the installation. The customer will be shown how to use it as part of the handover by the installer when the installation is complete.

## 28) Will the system be MCS registered – what level of warranty will be provided, will the warranty be insurance backed in the event of the contractor / manufacturer going into receivership?

**Workmanship Warranty and Insurance Backed Guarantee:** All Solar Together installations include a workmanship warranty valid for 10 years. With the workmanship warranty, the workmanship regarding the correct functioning of the various system components such as solar panels, inverters, mounting material and other materials is guaranteed. The installer guarantees the correct operation of the entire system, and ensures a cost-free repair if the system does not operate correctly due to bad workmanship.

This workmanship warranty is safeguarded by an Insurance Backed Guarantee, which means an insurer will take over the warranty in the event that installer ceases to trade in the future. DBC will request confirmation of a valid insurance as part of the due diligence.

**Quality Inspections:** An independent and specialised third party will thoroughly audit about one in every 25 installations completed as part of Solar Together to ensure that work has been delivered according to standards.

**Product Standards:** We allow installers participating in the auction to select which brands they will use, however they must specify which brands will be used upfront and they are obliged to comply with the fixed conditions defined by iChoosr to ensure product quality.

Customers will be aware of what brands are being offered before they choose to go ahead with the installation and will be able to access downloadable product spec documentation and all components must be rated as per the requirements in MIS3002.

Solar panel product conditions include: Manufacturer (production facility) of the solar modules is:

- MCS Product certified
- CE compliant
- Tier-1 according to BNEF's latest Tier list
- Silicon Module Super League panels are preferred
- Modules are supported by a WEEE compliant recycle scheme
- Modules are all Black, Mono-Crystalline (PERC). All visual parts (i.e. module clamps) of the mounting materials are black
- Minimum module efficiency of 18.1%
- Minimum power output of 330 Wp
- Product (Mechanical) Warranty from the Manufacturer of at least 12 years.
- Performance Warranty of 25 years (At least 90% of the Nominal Module output for the first 10 years and at least 80% in the 15 years following the first 10 years, or better)

### **29) What is the relationship between iChoosr and Solar Together?**

iChoosr is a Dutch owned company, registered in the UK, iChoosr is the registered business name (that DBC will enter into contract with) and Solar Together is the brand name that supports the programme i.e. Solar Together Hertfordshire, Solar Together Suffolk etc.

### **30) Will there be an after sales service for ongoing repairs and maintenance. Will there be access engineers in case of a fault?**

There should be no requirement for maintenance, other than occasional (every few years or so depending on area) cleaning with water only, usually can be done by a window cleaner with a long brush.

Re the 10-year workmanship warranty, the installer guarantees a free repair in the event that there are issues with the installation as a result of their workmanship. This is insurance-backed so in the event that the installer is no longer trading then the warranty will be covered by an insurer. Should the products fail then these are covered by the product warranties.

### **31) Does the scheme cover the whole district? /Is there a maximum number of participating households?**

The scheme is intended to cover all of Herts and potentially to include Bucks (and other counties who can't join directly due to limited number of eligible properties). There is no maximum, but a minimum of 30-50% of eligible households is required, which for Herts is around 100k.



**32) Are social housing providers, schools, businesses, retail (or similar orgs) able to register interest and benefit from the bulk buy scheme or whether it's really only for individual residents?**

In principle, yes any premises that could accommodate PV (and/or EV's) could benefit, the main point of the scheme is 'volume of custom' and whether the property has the right to receive the product such as ownership/lease agreements etc. This is an opportunity that could be discussed if the project was successful and there was an appetite to repeat the process (see Q38).

**33) Can we work with other Counties?**

Yes, we can work together and be contractually independent of each other. Some lead authorities will never have enough relevant properties, so to allow them obtain the benefits for their residents they can join the auction process, but they are contracted separately with iChoosr.

**34) Why iChoosr vs Solar Streets programme?**

The iChoosr scheme is similar to the Solar Streets programme, however feedback suggests that sign up can be low as it relies on at least six households on a single street to sign up before the provider installs the panels. The iChoosr scheme isn't limited by street and would cover all of Hertfordshire, with the potential therefore for an improved sign-up rate.

**35) The Solar Streets programme includes £50 contributions from each sign-up into a Community Fund to be used on Green Community Projects. Do iChoosr offer something similar, if not is this something they would consider?**

iChoosr pays a referral fee for each installation which could be diverted all, or in part, in to a community fund\*\*. (***\*\*Please note this option to be discussed with HGC internal partners and does not form part of the proposal at this time.***)

**36) Could the two scheme run together?**

The two schemes could operate at the same time, however we would need to consider that this would result in more officer resource to set-up/manage, and whether this could be confusing to residents!

**37) Are there any procurement issues with using iChoosr?**

There is precedence that this is the only provider of this type for local authorities and therefore entering into a contract with a single source concession is within the relevant procurement rules, and if required it could be considered a pilot project for a set number of years which allows for other companies to enter the market and be considered in future tenders.

DBC Procurement, Legal and Finance teams have been consulted and confirmed they are happy with the approach we have taken to directly appoint iChoosr and cannot foresee any issues for DBC to therefore sign the contract.

**38) If there are any surplus funds arising from the commission could the money be transferred to HCCSP so a decision can be made on how it is spent in the future?**

There is unlikely to be a surplus, it is designed to be cost neutral and technically the monies are to remain with HGC as they received the funds as part of their funding bid and would look to use this elsewhere in line with their programme, however if there was an appetite to repeat the residential process, this is something that could be considered to help facilitate another cohort.

**39) What is the overall value of the contract for the installing contractor and what financial benefit does iChoosr receive from signing a contract with the Local Authority, which ultimately allows iChoosr to contract with the installing contractor?**

DBC procurement have confirmed they have no procurement issue for us to direct appoint iChoosr for this project. As the cost is below the Council's tender threshold (>£75k), this contract can be awarded under the Council's quotation process.

In terms of the income that iChoosr could 'make off the back of the agreement' whilst this is not relevant to the Council as we are not part of that agreement, if the Council are allowing a company to benefit 'off the back of an agreement' we have with a company, then this would fall under the concession regulations which carries a higher WTO (formally OJEU) threshold of £4,733,252.

iChoser confirm that based upon best case scenario of update of sales within Herts and Buck/Berks combined, that their fee/income would be below this threshold and therefore the LA's would not be in breach of procurement rules.

**40) Who signs the contract?**

The contract is directly with iChoosr to allow them to undertake the auction and approach the residents on behalf of the relevant authority(s). The successful Provider (installing contractor) then enters into a contract with iChoosr to supply and install the product.

The contributing authority usually signs the contract with iChoosr on behalf of the other authorities to support this approach and ensure buy-in from the joining authorities, DBC have issued a draft MOU for sharing with all parties to agree with their legal team in readiness for the contract signing date. Other authorities have undertaken a similar process with success as the contract is fairly standard, but there is an opportunity for amendments to be made to satisfy the relevant authority that the risks are minimal and therefore acceptable.

DBC Legal has confirmed that they are able to sign the contract direct with iChoosr, supported by, but not dependent on the MOU from each authority (that wish to join).

**41) Can the contract be amended?**

Yes, DBC has reviewed the contract and made amendments to ensure the protection of DBC from any breach of contract and third party risks, added clauses to reflect Modern Slavery, proof of Public Liability and relevant indemnities.

Below the clause DBC propose to add to the final DBC/iChoosr contract.

**“ANTI-SLAVERY**

- 1.1 In performing its obligations under this Agreement, iChoosr shall;
  - 1.1.1 Comply with all applicable anti-slavery and human trafficking laws, statues, regulations and codes from time to time in force including but not limited to the Modern Slavery Act 2015
  - 1.1.2 Ensure compliance with this clause by the Personnel, its contractors, Suppliers and agency.
  - 1.1.3 Not engage in any activity, practice, or conduct that would constitute an offence under sections 1, 2 and 4 or the Modern Slavery Act 2015 if such activity, practice or conduct were carried out in the UK.
  - 1.1.4 Maintain procedures throughout the duration of this Agreement to ensure compliance with this clause.
  - 1.1.5 iChoosr undertakes to notify the Council of any breach of this clause.”

#### **42) What does each authority need to do?**

Some Officer time is required by each joining authority, to help support the scheme and obtain their own internal approvals to progress to signing the MoU. Whilst iChoosr will undertake the main bulk of the customer contact and delivery process, Officers will be required to:

- Approve the mailshot letter for their area.
- Provide links to their webpage for the 'Solar Together' scheme.
- Agree other marketing opportunities to guide residents to sign up with iChoosr.
- Provide the relevant branding/comms guidance.
- Provide iChoosr with the relevant private resident addresses (no GDPR as no names are used).
- Agree a route to customer recourse / issue a customer services contact number / or provide details of a Member to represent the whole group and;
- Support the other authorities where required.

#### **43) How will iChoosr know tenure of residential properties and can someone apply without receiving a letter?**

iChoosr will work with HCC's GIS team to run a set of parameters they have identified to establish the occupants' likely tenure and they will be invited to check the criteria to see if they are eligible. This is also the route to eligibility for anyone who might be interested without being invited via the DM.

The link we share on our website will take interested parties to the eligibility checker before they can proceed to next phase.

#### **44) Will the Zero VAT rate on PV's be passed to the customer**

The benefit of this new VAT change is expected to benefit the customer. Details of this are currently being worked through with iChoosr.