



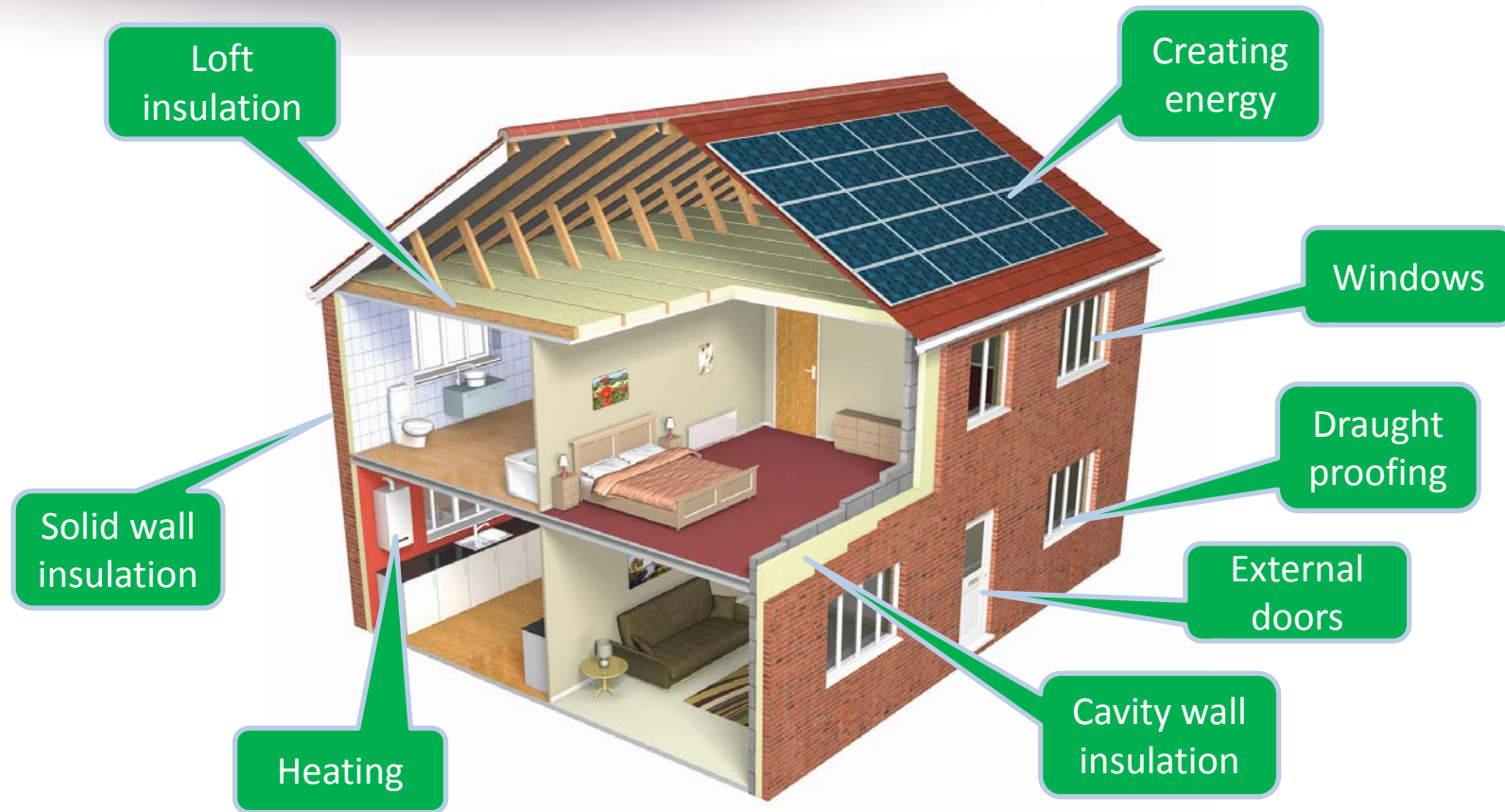
The UK's Green Deal

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The Green Deal

The Green Deal helps people pay for improvements like insulation or a new heating system through savings on their energy bills.

What's eligible?



- 45 different improvements can be paid for in part or full
- Covers both residential and non-residential buildings

How does it work?



Assessment



Recommendations



Quotes



Installation



Benefits



Assessor gives impartial
recommendations on what customers need



Provider arranges quotes to customer,
provides finance and arranges for installation



Installer installs improvements

Customer enjoys benefits and pays
provider over time through savings

Key Feature 1: Trust



- Assessors, Providers, Installers must be accredited – Quality Mark to prove it
- Comprehensive advice so customers consider all options – not pressure selling of one measure
- Standardised advice to make it easier shop around
- Cooling off periods, protection against cold calling etc
- Insurance-backed guarantees in case of faulty advice or installation
- Single point of redress: the Provider
- Ombudsman to handle unresolved complaints

Key Feature 2: Finance

- Customers can pay for some or all of the cost through a Green Deal Plan, collected as an integral part of their electricity bill
- Costs will vary from provider to provider – shop around
- Maximum amount a customer can borrow, including interest is determined by how much energy they're expected to save. Once plan is agreed, payments are fixed.
- Not a mortgage or a personal loan. If the customer moves out they stop paying.
- “The Green Deal Finance Company” – a private sector mutual offering finance at 6.96% (+ fixed admin fees) to providers. 17 investors including DECC and Green Investment Bank
- Customers can still change your electricity supplier

Support from DECC



- Helping customers find out about Green Deal:
gov.uk/greendeal – including ability to find an assessment in your area
Energy Saving Advice Service 0300 123 1234
“Quick guides” which any business can give out
- £22M Pioneer Places and Core Cities funding awards for activity between now and March covering all 8 core cities and 150 English LAs
- £3M consumer advertising and awareness campaign January to April
- £1.3BN Energy Company Obligation
- £125M Cashback Scheme

Extra support: “ECO”

| Support for | Available to |
|---|--|
| Solid wall insulation Hard-to-treat cavity wall insulation | Anyone |
| Easy cavity wall insulation Loft insulation | People living in low income areas (lowest 15%) People on certain income-related benefits in private housing |
| Heating improvements | People on certain income-related benefits in private housing |

- Don't need to apply separately – should be included when Providers make quotes
- Different Providers will have different offers – customers should shop around
- Worth around £1.3 billion a year; comes from energy companies (“Energy Company Obligation”)

Cashback Scheme

Some of the main rates

| | |
|----------------------------------|--------------------------------|
| Loft Insulation | £100 |
| Cavity wall insulation | £250 |
| Solid wall insulation | £650 |
| Condensing gas boiler | £270 |
| Condensing oil boiler | £310 |
| Single to A rated double glazing | £20/m ² max £320 |

- Packages could be worth over £1000 – the more work done, the more a householder can get.
- Limited offer while funds last. Rates guaranteed for the first £40M. £125M available in total.
- Process is exactly like the Green Deal – assessor, provider and installer all involved
- So, customers need to get an assessment to start the process.

Full details and apply via gov.uk/greendeal

Opportunities for Trades

- Green Deal is expected to support up to 60,000 jobs in insulation alone by 2015 (up from 26,000 in 2011)
- Whilst you need to be accredited to carry out each step, you can be accredited for more than one.
- Small and medium sized businesses could get involved by:
 - subcontracting as an Assessor and/or Installer for large Providers
 - providing one-stop services directly to their own customers, and accessing finance from Green Deal Providers
 - providing the full Green Deal service, including finance, to their customers

Early performance

Still mobilising – everything major works; anything minor fixed

Positive **early signs** in the market place:

- 19,000 assessments in three months
- >150 assessor organisations registered employing >1,000 assessors
- >1200 installer organisations registered
- 50+ Providers registered