

Community Interest Company Report

Part 1 Yearly Activity

This report covers the period: 1st April 2011 - 31st March 2012

1.0 Company Overview

Yorkshire Energy Services CIC is an award winning Community Interest Company operating within the sustainable energy sector. Based in Huddersfield, West Yorkshire and Andover, Hampshire, the company offers project management, expert advice and affordable energy saving solutions that help householders, organisations and public sector bodies reduce carbon emissions.



As a trusted provider of energy saving products since May 2000, Yorkshire Energy Services has consistently delivered large scale area based initiatives on behalf of leading Local Authorities. The organisation is currently delivering some of the UK's largest council backed energy efficiency programmes. These include the Wrap Up Leeds, Insulate Hampshire and Wakefield Low Carbon Communities schemes, which all support thousands of householders with subsidised home insulation services in partnership with 3 of the country's major energy suppliers.

With a national network of accredited installers and two growing subsidiary companies, Yorkshire Energy Services delivers a broad range of sustainable products including: household insulation, central heating, boiler upgrades, gas connections, solar (PV) photovoltaic systems and renewable heat technologies. Yorkshire Energy Services' primary aim is to conduct business that supports and strengthens local communities with a view to cut CO₂ at a local, regional and national level. A proportion of the company's profits are reinvested back into energy saving initiatives that fight fuel poverty and combat Climate Change.

2.0 Green Deal

The Department of Energy and Climate Change (DECC) confirmed on March 6th 2012 that Yorkshire Energy Services would become one of its pioneer Green Deal Providers. The company joins the first wave of organisations to work alongside the Government and gain the necessary accreditation to manage the finance offered throughout the Green Deal programme.

From the information acquired via the pioneer group, the company is well on its way to establish the internal systems and infrastructure required to meet the Green Deal accreditation process. This includes capability to support Green Deal customers from initial point of contact through to the management of Green Deal plans over the life-time of each installation.



2.1 SME Model

Yorkshire Energy Services is now actively approaching Local Authorities and Housing Associations to initiate Green Deal delivery programmes that support householders and local businesses. As an advocate of SME's (small to medium sized enterprises), Yorkshire Energy Services will be supporting local economies by working directly with local partners and suppliers in each area of activity. The organisation aims to represent the SME sector within the Green Deal framework and build on its own CIC objectives at a national level.

Yorkshire Energy Services' distinctive business model intends to service SME installers, community groups, public sector and private sector households via an aggregator Green Deal provider approach. The company is now in discussions with some of the UK's major energy suppliers that can provide the requisite Energy Company Obligation (ECO) and Green Deal finance.

2.2 Green Deal Exemplar

The company is also working closely with the Green Deal Skills Alliance (GDSA), an organisation comprised of 3 built environment sector skills councils: AssettSkills, CITB-Construction Skills and SummitSkills. Yorkshire Energy Services has been chosen to act as an exemplar to other regions and pilot how public sector bodies and private sector companies can work together to ensure there are no skills shortages when Green Deal and ECO rolls out.

Due to Yorkshire Energy Services innovative approach to area based schemes and its desire to develop supply chain opportunities for local SME businesses, the company was selected from a multitude of applicants as one of six exemplars in Spring 2012. Yorkshire Energy Services aims to positively influence the growth of green sector training, jobs and economic benefits at a local and national level.

2.3 Green Deal Consortia

Following DECC's announcement, North West energy saving consultants, PB Energy Solutions have partnered with Yorkshire Energy Services to develop a Green Deal consortia and strengthen the organisation's growing installer network. Through PB Energy Solutions' innovative Green Deal Manager website, UK installers are hand held through the accreditation process, then connected to Yorkshire Energy Services as one of the leading pioneer providers.

3.0 Insulate Hampshire

In July 2011, Hampshire County Council (HCC) selected Yorkshire Energy Services to deliver its multi partner home insulation initiative, Insulate Hampshire. The scheme operates across the Hampshire region in conjunction with the County Council and the following district/borough councils:

- Basingstoke & Deane Borough Council
- East Hampshire District Council
- Eastleigh Borough Council
- Fareham Borough Council
- Gosport Borough Council
- Hart District Council
- Havant Borough Council
- New Forest District Council
- Rushmoor Borough Council
- Test Valley Borough Council
- Winchester City Council



Yorkshire Energy Services is delivering Insulate Hampshire on behalf of the Hampshire Senate and the Hampshire-wide Climate Change Partnership, which aims to cut fuel bills and reduce CO₂ across the county.



Insulate Hampshire offers the following benefits to homeowners and private renting tenants:

- Free cavity wall and loft insulation
- DIY loft insulation & loft insulation 'top up'
- WarmFront referrals
- Benefit entitlement checks
- Information regarding the installation of Solar PV
- Referrals to a Solar PV provider where appropriate
- Impartial advice on energy efficiency, renewable energy, carbon and fuel poverty reduction
- Referrals to other services and agencies (e.g. Citizens Advice Bureau and Safe, Warm & Secure)
- Referrals into other energy efficiency schemes managed by Yorkshire Energy Services, such as Southern Gas Networks fuel switching and Solid Wall Insulation projects

It is estimated that Insulate Hampshire will increase the county's existing installation rate (26,000 per annum) to an estimated 57,000 installations per annum until the end of the scheme. This could generate an additional on-going £3m per annum energy bill saving for householders and CO₂ reduction of over 18,000 tonnes every year.

Insulate Hampshire is managed by Yorkshire Energy Services in conjunction with ScottishPower and the three contractors: A&M Insulations Ltd, Dyson Energy Services and SIG Energy Management. It has been estimated that 180 new jobs have been created as a result of the partnership via the contractors and the project team. Yorkshire Energy Services helped develop the programme from what was once a discounted insulation scheme to a free non-means tested initiative available to thousands of Hampshire homeowners and private renting tenants.

The scheme aims to deliver 30,000 home insulation measures within a 14 month timeframe. Not only will the scheme contribute to carbon reduction targets, but support community cohesion through its innovative engagement process, signposting residents to critical public services and support groups.

Yorkshire Energy Services is well placed to manage the scheme following the launch of a new Southern depot in Andover. The team is now working proactively with each of the partaking Local Authorities and delivering the project in key target areas.

During the year the scheme achieved the following results:

£1,090,308 CERT funding was attained from ScottishPower based on the measures listed below (excluding solar PV installs).

Referrals to contractor	11,683
Total Measures	3,754
Cavity Wall Insulation	1,926
Loft Insulation	1,439
Loft Insulation Top Up	81
DIY Loft Insulation	306
Solar PV	2
Annual Fuel Savings*	£521,510
Annual Carbon Savings*	2,137,950kg CO ₂

Since the project inception, collaborations have developed both from within the councils and externally. Yorkshire Energy Services have worked with the Adult Services department of HCC to secure £319,000 of funding from the Department of Health, Warm Homes Healthy People Fund which has been targeting 50,000 vulnerable households with information and access to services they may require.

In addition, the project is working in partnership with various energy and environmental groups such as Energy Alton, Transition Town Romsey, Winchester Action Against Climate Change, as well as volunteer associations and charities in a mutually beneficial way where they are remunerated for promotion and referrals to the scheme which will help to support their future campaigns.

**Estimated savings based on EST data for average 3 bedroom semi detached properties.*

The approximate value of the project is a £6,800,000 expected spend, split between Hampshire County Council funding and ScottishPower CERT contribution.

4.0 Wrap Up Leeds

In January 2012, Yorkshire Energy Services was successful in winning the contract to deliver Leeds City Council’s largest domestic insulation programme to date. With funding from EDF Energy, the Wrap Up Leeds scheme was launched to provide free cavity wall and loft insulation to private sector homes throughout the Leeds local authority.



Yorkshire Energy Services has been instrumental in developing the scheme and taking ownership of all aspects of operational delivery, including property assessments, contact management and marketing communications.



A team of freelance doorstep assessors have been recruited to contact residents and drive referrals. Community engagement activity and property assessments have been carried out in the following wards: Burmantofts and Richmond Hill, Killingbeck and Seacroft, Middleton Park, Gipton and Harehills, City and Hunslet, Armley, Beeston and Holbeck and Chapel Allerton.

During the year the scheme has achieved the following results:

- Establishment of the schemes brand, logo and marketing strategy
- Recruitment of freelance doorstep assessors
- Procurement of the schemes contractors: Homecare Home Improvements, Viscount Environmental Ltd and Dyson Energy Services.

The scheme aims to install 15,000 insulation measures in Leeds properties before the CERT period ends in September 2012.

Referrals to contractor	6,318
Total Measures	9,293
Cavity Wall Insulation	4,704
Loft Insulation	3,319
Loft Insulation Top Up	1,270
Annual Fuel Savings*	£1,247,615
Annual Carbon Savings*	5,116,580kg CO ₂

**Estimated savings based on EST data for average 3 bedroom semi detached properties.*



5.0 £49 Cavity Wall Insulation Scheme

Yorkshire Energy Services was among the first installer networks to reduce the costs of its domestic cavity wall insulation service. Using the Government’s CERT funding stream, the organisation launched a competitive £49 offer available for all homeowners in the Yorkshire region. At the time this was the cheapest cavity insulation service in the county.

The scheme gained support from various public sector bodies including Rotherham Metropolitan Council who endorsed a 4 month marketing campaign. Yorkshire Energy Services’ Outreach Team took to the streets of Rotherham to engage residents and promote the benefits of subsidised cavity wall insulation.

During the course of the year, 769 cavity wall insulation measures were fulfilled on the scheme. Yorkshire Energy Services are now developing the scheme’s framework to deliver a larger free home insulation project across the whole of England.

6.0 Southern Gas Networks

Yorkshire Energy Services established a partnership with Southern Gas Networks (SGN) to encourage off gas householders to connect to the national grid. Yorkshire Energy Services will be providing an advisory and screening service to help validate potential customers who may be eligible for assisted gas connections, in which most cases will be free of charge.

Yorkshire Energy Services’ advisors will check the personal circumstances of each customer to see if they qualify for any additional support. This qualification will then be validated via documented evidence.

As part of the process, Yorkshire Energy Services will also check to see if any customers are eligible for CERT funding to cover the installation of gas central heating.

7.0 The BIG Energy Upgrade

As part of a consortium of partners, Yorkshire Energy Services are delivering a range of energy efficiency schemes in select areas of Yorkshire and the Humber under the banner of The BIG Energy Upgrade.

The BIG Energy Upgrade (BEU) Programme is the first large scale project to deliver installation of energy efficiency measures and renewable technologies to houses in Yorkshire and the Humber by adopting a whole house/ whole community approach.

- 114 jobs created and 99 jobs safeguarded
- 145,113 tCO₂ saved
- Extensive use of external solid wall insulation
- Stimulate the energy efficient supply chain
- Behavioural studies - individual to whole community
- Area based delivery of retrofit measures



The BIG Energy Upgrade provides householders from some of the UK's most vulnerable communities, energy saving advice, services and support. Yorkshire Energy Services offer residents a tailor made home energy package including funding for free or discounted installations to improve their home's thermal values and heating facilities.



The project's main objective is to improve housing stock that is unsuitable for more traditional energy saving measures (e.g. cavity wall and loft insulation), whilst helping vulnerable householders take steps towards affordable, low carbon living.

The BIG Energy Upgrade harnesses funding from the Community Energy Saving Programme (CESP) and the European Regional Development Fund (ERDF). The Department for Communities and Local Government is the managing authority for the European Regional Development Fund Programme, which is one of the funds established by the European Commission to help local areas stimulate their economic development by investing in projects which will support local businesses and create jobs. For more information visit www.communities.gov.uk/erdf

Yorkshire Energy Services have delivered successful schemes in areas of Kirklees, Wakefield, Barnsley, Leeds, North Lincolnshire and North East Lincolnshire.

The company has played a vital role in bringing together Local Authorities and Housing Associations as well as the University of Sheffield, who is undertaking academic research to provide a real understanding of the interaction between the critical energy efficiency issues arising in each area.



By the end of the scheme the following measures will be installed:

Measure	Golcar*	Chickenley*	Thornton Lodge*	Savile Town*	Barnsley*	NE Lincs	N Lincs	Wakefield	Leeds*	Total
EWI / IWI	122	69	10	20		48	253		321	843
CWI							11		24	35
LI	10	5					45		250	310
Boiler Install	12	10			238	6	79	588	5	938
Fuel Switch					47		1	159	66	273
Heating Controls	12	10			285	6	80	747	71	1211
Flat Roof Insulation		69	10	20						99
Solar PV		19								19
Solar Thermal	10	10								20
Double Glazing						48	100	500	27	675
Total	166	192	20	40	570	108	569	1994	764	4423

* Estimates not actual

8.0 Energy Saving Trust advice centre (ESTac)

The ESTac was an advice centre run and managed by Yorkshire Energy Services on behalf of the Energy Saving Trust giving free and impartial advice to all domestic homeowners on energy efficiency issues who live in South and West Yorkshire.

The contract was terminated in early November 2011, and the company is currently in legal negotiations regarding the contracts early termination. Due to the highly sensitive and confidential nature of this matter, no output information is included in this report; however further clarification can be sought from the company's CEO, William Edrich.



9.0 Wakefield Low Carbon Communities

Wakefield Low Carbon Communities was launched in 2009 and is a 4 year area based initiative which falls inline with the Wakefield Affordable Warmth Strategy 2007-2010. The scheme is a comprehensive one-step approach to tackling private sector housing fuel poverty and poor home energy efficiency, whilst providing useful additional benefits and advice to the householder.

Wakefield Low Carbon Communities includes a number of additional offerings and assistance to householders, aside from free cavity wall and loft insulation. These include:

- Free benefit entitlement checks
- Free mortgage debt advice
- Free home fire safety checks
- Central heating information and advice
- Advice and support from Carers Wakefield & District
- Free and impartial home energy and Microgeneration advice

Yorkshire Energy Services manage Wakefield Low Carbon Communities customer engagement process and have connected recipients to a broad range of valuable public services. Year 3 of the scheme has shown activity in the following wards: North Elmsall, Upton, Ryhill and Havercroft, Normanton and Featherstone.

During the period April 2011 to March 2012, Yorkshire Energy Services managed all insulation measures in conjunction with Premier Energy Solutions and harnessed funding from EDF Energy.

During the year the scheme achieved the following results:

Referrals to contractor	1,015
Total Measures	673
Cavity Wall Insulation	132
Loft Insulation	373
Loft & Cavity Insulation	168
Annual Fuel Savings*	£109,135
Annual Carbon Savings*	447,840kg CO ₂



**Estimated savings based on EST data for average 3 bedroom semi detached properties.*

10.0 West Yorkshire Hotspots

Yorkshire Energy Services continues to support the West Yorkshire Hotspots scheme, a multi-agency referral scheme which aims to combat fuel poverty and improve fire safety and benefit uptake for extremely vulnerable householders across the region.

The scheme is delivered in partnership with the West Yorkshire Fire and Rescue Service, Pensions Service, National Energy Action (NEA), Primary Care Trusts and Local Councils across the region.

Yorkshire Energy Services coordinates the processing of all completed Hotspots referral cards in the West Yorkshire region. The company's Customer Contact Centre advisors are responsible for speaking to

householders who have had their details submitted on a card by a frontline worker from one of the partner organisations and making appropriate cross referrals to one or more of the other service providers within the Hotspots partnership.

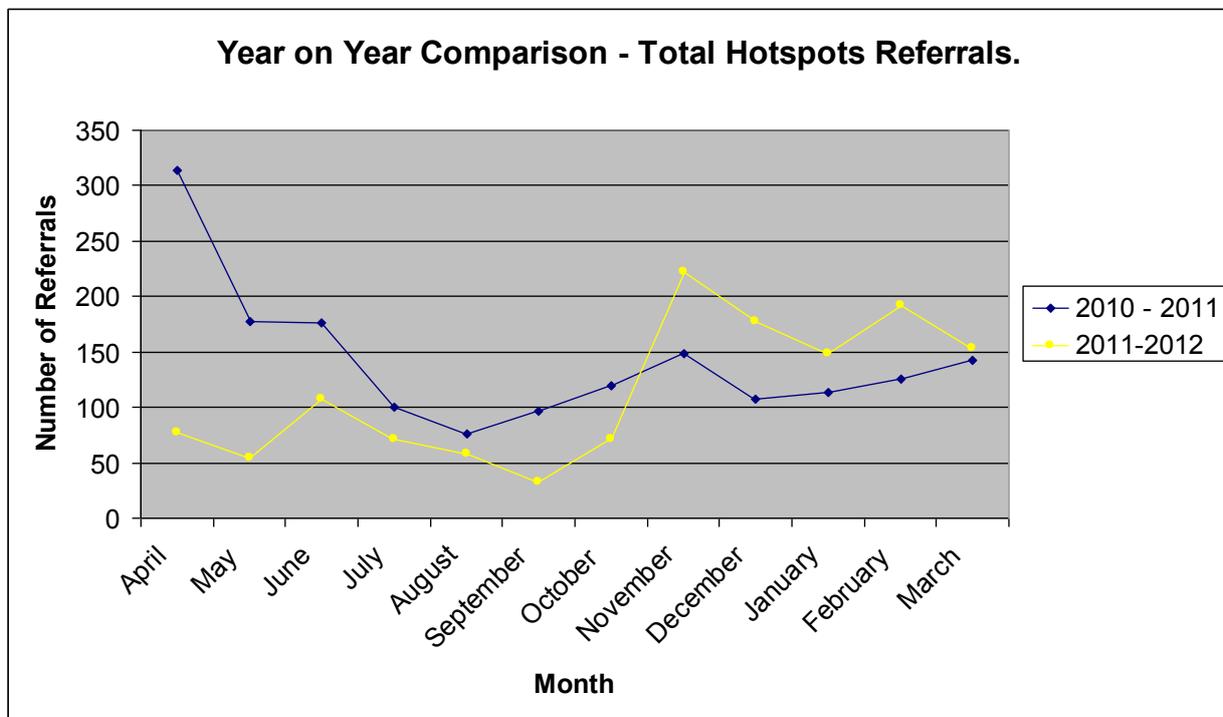
During the year Yorkshire Energy Services processed the following referrals:

3,107 referrals, of which 2,625 were able to be followed up with further support. These were broken down as follows:

- 1,369 households provided with energy advice.
- 63 households referred for energy saving measures
- 288 householders of working age referred for benefit checks, undertaken by DWP
- 485 householders above-working age referred for benefit checks, undertaken by DWP
- Out of the 1455 referrals processed, the conversion to measure rates compares favourably with rates from previous years

Further work was undertaken in order to maintain and improve the profile of Hotspots, particularly at a time when many partner organisations were undergoing restructure and lessened resources. With this in mind, the primary focus of Hotspots during 2011-12 was on the promotion of the scheme, including the recruitment of new agencies and the identification and delivery of training to the changing frontline workforce of all partner organisations. Over this time a total of 568 frontline workers were trained and 35 new partners recruited from a diverse range of organisations.

Publicity was raised through stallholder attendance at a number of partnership events held across West Yorkshire, helping to generate further referrals for training sessions and information. In addition, the creation and regular distribution of a quarterly newsletter provides regular updates and motivation to referring agencies. These activities have been followed by an increase in referrals towards the end of the year:



Based on the schemes activities over the 2011-2012 period

Yorkshire Energy Services, in conjunction with the Hotspots Coordinator submitted the Year 1 report to ScottishPower’s funding body, The Energy People Trust, and were successful in allocating the Year 1 funding of £16,000.

11.0 Yorkshire and the Humber Microgeneration Partnership

Yorkshire Energy Services continue to manage the secretariat for the Yorkshire and the Humber Microgeneration Partnership (YHMP), an organisation established to support and promote renewable energy generation throughout the Yorkshire and Humber region.

The Partnership has grown to over 150 members, consisting of installers, manufacturers, advocates and training providers across the range of microgeneration technologies and renewable measures.



During the period the YHMP Coordinator, housed at Yorkshire Energy Services, was particularly active as a consequence of the Government Changes to the Feed In Tariff rates, Renewable Heat Incentive and Renewable Heat Premium Payments. The partnership responded to Government consultation, whilst providing members with one to one support and guidance during the changes to policy and consultation periods.

Due to its impact and influence on the local Renewables industry, the Partnership is currently seeking its own Community Interest Company status and will eventually act independently from Yorkshire Energy Services.



12.0 Energy Help Loan

Yorkshire Energy Services offer eligible householders an Energy Help Loan to invest in a wide range of energy saving products. The loan amount varies from £1,000 up to £4,000 over a flexible period of 6 to 48 months.

An energy help loan can cover the installation costs of the following energy efficiency measures:



- Replacement Condensing Boiler
- Central Heating System with Condensing Boiler
- Cavity Wall & loft Insulation
- Solar Thermal System (Solar Hot Water)
- Replacement Windows & Doors (50% of Installation)
- Fascias and Soffits

The loan scheme is aimed at low income householders who wouldn't be able to access loans from any other sources. During the year the scheme achieved the following results:

- New loans to the value of £106,783.10
- Total Loans administered to the value of £421,497.84

13.0 Support & Consultation

Key personnel at Yorkshire Energy Services have supported a number of energy efficiency seminars to raise awareness of industry developments and opportunities across the UK market. Chief Executive, William Edrich became a key note speaker of this year's Solar Power UK Conference in February 2012, providing insight into public sector partnerships and changes in Feed in Tariff legislation.

Emma Kovaleski, Manager of the CEO Office, has also attended several support group workshops and events, aimed at supporting Local Authorities, Housing Associations, public sector bodies and local SME contractors in broadening their understanding of the Government's emerging Green Deal and Energy Company Obligation policies.

The company remain particularly active and offer consultation support and advice on a regular basis.



14.0 Company Expansion

When Yorkshire Energy Services procured the Insulate Hampshire contract, the aim was to enable the company to grow, expand and establish a Regional presence across Southern England. The company have established a Southern Regional office in Andover, Hampshire from which the Insulate Hampshire and all bolt on projects are delivered. The set up of the office required company support from HQ, including the temporary secondment of Yorkshire Energy Services' CEO.

The office is now established with 7 members of staff and it is not only managing the Insulate Hampshire scheme but also forging new relationships and introducing new areas of work across the region.



Part 2 Consultation with Stakeholders

Yorkshire Energy Services work with a multitude of partners from across the private, public and voluntary sectors. Below is a list of all the organisations that have worked in partnership with the company throughout the year:

Government and public bodies:

Hampshire County Council

Basingstoke & Deane Borough Council

East Hampshire District Council

Eastleigh Borough Council

Fareham Borough Council

Gosport Borough Council

Hart District Council

Havant Borough Council

New Forest District Council

Rushmoor Borough Council

Test Valley Borough Council

Winchester City Council

Kirklees Council

Doncaster Council

Barnsley Council

Wakefield Council

Bradford Council

Calderdale Council

North East Lincolnshire Council

North Lincolnshire Council

Leeds City Council

Kirklees Neighbourhood Housing

Wakefield District Housing

Berneslai Homes

St Leger Homes

North Lincolnshire Homes

Shoreline Housing Partnership

West North West Homes Leeds

University of Sheffield

Energy Saving Trust

EAGA/Warm Front

DECC – Department for Energy and Climate Change, Green Deal Skills Alliance, including sector skills councils, CITB - ConstructionSkills, AssetSkills and SummitSkills

West Yorkshire Fire and Rescue

Department for Work and Pensions

Calderdale PCT

Wakefield PCT

Various Registered Social Landlords - including Kirklees Neighbourhood Housing

National Energy Action

Government Office Yorkshire and Humber

Wakefield Welfare Rights

Microgeneration Certification Scheme

BRE Global

Transition Town Romsey

Energy Alton



Commercial Partners

ScottishPower
ScottishPower - The Energy People Trust
EDF
Npower
SSE
SIG Energy Management
Dyson Energy Services
Viscount Environmental Ltd
Homecare Home Improvements
A&M installations
Various other installers of insulation
Various central heating installers
National Grid
Southern Gas Networks
United Utilities – Gas Connections
Warm Zones cic
Tadea
Yorkshire Energy Partnership
Community Energy Solutions cic
PB Energy Solutions Ltd
Green Deal Manager Ltd

DECC's 21 pioneer Green Deal Providers

Ampere GDP
Anglian Home Improvements
British Eco
British Gas
Carbon Low Group
Carillion
Empower Community
Enact Energy
E.ON
Gentoo Group
Grafton Group
Insta Group
Keepmoat
Kingfisher
Mark Group
ReEnergise Finance
SIG plc
SSE
Stroma
Toriga Energy
Willmott Dixon Energy Services

Part 3

Directors' Remuneration

This information is disclosed in Note 3 of the accounts. There were no other transactions or arrangements in connection with the remuneration of directors, or compensation for director's loss of office, which require to be disclosed.

Part 4

None



**Yorkshire
Energy Services**