

#BeTheSolution

London Councils Community Energy Toolkit

Energy Advice Services



REGEN



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Commissioning or supporting a CEG to deliver an energy advice service in your borough can bring a number of potential benefits, beyond simply expanding capacity.

This section of the toolkit starts by reviewing the potential approaches to energy advice that community organisations can take, before offering detailed considerations for boroughs when commissioning community-led energy advice services.

Disclaimer: This is a non-specialist summary and should not be regarded as financial, legal or procurement advice or guidance for any specific project; the community energy landscape is a fast-moving area, and opportunities are likely to change regularly.



Introduction

As a climate officer, you can work with community energy groups (CEGs) to support, commission and oversee community-led energy advice provision. This might take the form of fairly low cost support to advice services in the community, or your borough could go further and commission a community energy partner to deliver services on behalf of the council.

This section will help you to:

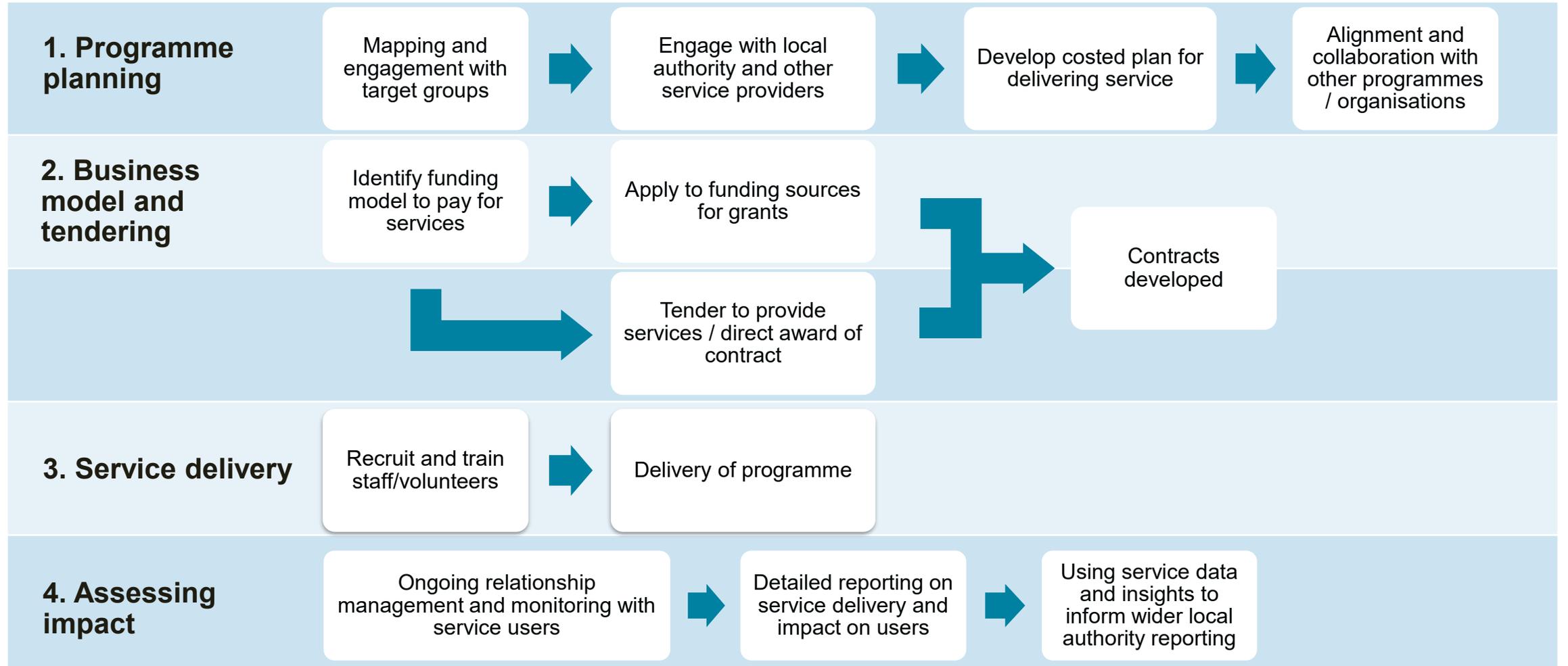
- Understand at a high-level the advantages of community-led energy advice services
- Explore how you can help CEGs with scoping out their potential advice services and the types of support the council might be able to offer.
- Understand the steps involved for the council in commissioning community led advice services, starting with the initial scope of services
- Consider the procurement approach and whether a competitive process is required
- Consider support the council might provide for joint funding bids
- Understand legal considerations when commissioning a service
- Consider how to monitor the performance and impact of a community-led service.

Advantages of community-led advice services

Commissioning or supporting a CEG to deliver an energy advice service in your borough can bring a number of potential benefits, including:

- **Expanded capacity at lower cost:** Councils can grow provision without increasing internal staffing, easing pressure on stretched teams.
- **Enhanced reach and trust:** Community organisations engage residents, especially vulnerable or hard-to-reach groups, more effectively than statutory services alone.
- **Flexible, community-rooted delivery models:** Local insight helps tailor support to housing types, cultural contexts and community needs. From pop-ups to home visits, services can adapt quickly to emerging needs and funding opportunities.
- **Access to additional funding streams:** Community groups can draw on grants and programmes not available to councils, increasing overall investment locally.
- **Better partnership working:** Strengthens links between the council, voluntary sector and local services, enabling joined-up support.
- **Valuable local intelligence:** Community groups provide real-time insight into resident needs, barriers and outcomes, improving council planning.
- **Increased social value:** Supports local jobs, skills development and community cohesion while keeping investment within the borough

Community Energy Advice Service



1.

Scoping

This section contains information on:

- Mapping the needs of the community and current provision
- Potential delivery options



Scoping

Energy advice projects can take several forms. Energy champions can provide initial guidance to households and businesses, signposting where to get more detailed support from local and national energy advice charities, such as [National Energy Action](#).

Examples of energy champion action include:

- Running pop-up stands at local events, in the highstreet or in a local venue, such as the community centre
- Hosting workshops with speakers on key topics
- Open-homes events
- Training volunteers to share information through home visits and provide low-cost measures, e.g. draught-proofing, LED bulbs, timer plugs

An advice service run by trained volunteers or paid staff might provide:

- telephone support
- more detailed home surveys
- non-domestic building assessments
- access to national grant funding
- and the installation of retrofit measures.

An advice service might provide advice to the 'willing to pay' market – homeowners or commercial building owners who may have available capital to invest in retrofit measures and be willing to pay for energy advice. An advice service might also provide funded or subsidised advice to vulnerable or low-income households.

The CEG needs to undertake initial mapping work to understand the needs of the community and the types of support it could offer, as well as considering its own skills and resources and the potential to work with the council and others. How you can support them with scoping is set out on the following slides.

Mapping the needs of the community and current provision

An initial stage in planning a community led energy advice service will be to understand the needs of the community, by drawing on key data sets and undertaking engagement.

The CEG will lead on this initial mapping activity. As an organisation based in the community, they will already have a feel for the types of issues, housing and area demographics. They might want to review key data sets including:

- Fuel poverty data
- Extent of conservation areas within the borough
- Social housing data

They may also undertake community-based engagement to understand needs in more detail. This might include a survey, a stand at a local event or in the high street to speak to people or engaging with existing groups and organisations in the community, e.g. groups representing vulnerable people. The aim is to understand the problems people face and what services might help them.

The CEG should also review current provision in the area, engaging with organisations that already deliver energy and related services in the area – including the council.

Your role

The borough may not be involved at this point as the CEG may not have approached them during this early ideation phase. If there is an opportunity to be involved, you could:

- Facilitate support from the borough's data team e.g. officer time to provide support with accessing datasets and producing maps
- Support the CEG's engagement through council communications, e.g. promoting a survey through council newsletters.

Potential delivery options

1/2

The CEG will need to consider the skills and availability of its volunteers and/or staff to provide either energy champion projects or an advice service. An energy champions style approach is more straightforward, with less technical knowledge and organisational capacity needed.

Developing an advice service requires significant investment in training, resources and organisational capacity and capability, including financial management. Non-domestic assessments in particular require greater technical skills, due to complexities around building features and ownership structures. Established organisations are more likely to be able to develop energy advice services, especially if they have previously delivered energy champion activity.

Your role

The council may be able to provide relatively low-cost support for energy champion style approaches including:

- Communications support to advertise planned events
- Running energy champion training to upskill volunteers

- Supporting groups to access advice and mentoring from more established organisations
- Providing meeting rooms to host events or access to equipment such as thermal imaging cameras.

Where a CEG is delivering energy advice services, the council may be able to:

- Commission CEGs to deliver energy advice and measures to buildings owned by the borough
- Collaborate with CEGs on minimum energy efficiency standards (MEES), creating action plans for houses which do not meet MEES following inspection from a borough enforcement officer.
- Signpost residents to services offered by the CEG. In particular, vulnerable residents accessing council services could be identified as potential users of an energy advice service.

Potential delivery options

2/2

The council may also be able to provide grants to cover costs of setting up and running a project – whether it is an advice service or energy champion style activity.

In some cases, the council may be able to further support energy advice services provided by CEGs by:

- Commissioning the CEG to deliver services on behalf of the council
- Partnering with the CEG on joint funding bids

The remainder of this section of the toolkit explores the role of the borough council in these two options.

More information:

- This [guide from CSE](#) has additional information for CEGs on an energy champion approach.
- [Collaborating on community energy](#) from CAG consultants and the Centre for Sustainable Energy for the Greater South East Net Zero Hub has further detail on how to support champion approaches on p.56

2.

Commissioning CEGs to deliver energy advice services

This section contains information on:

- Potential scope of services
- Procurement considerations
- Joint funding bids
- Legal considerations
- Measuring performance and impact



Commissioning considerations

This sub-section sets out how boroughs can work with CEGs to deliver high-quality, locally rooted energy advice services.

It explains the key steps and considerations:

- how you can help to shape the. **potential scope of services**, from fuel-poverty support and retrofit advice to delivery of national schemes.
- high-level **procurement considerations** to work with the procurement team on, such as when a competitive process might be required.
- how you might collaborate with community groups on **joint funding bids** to access national funding streams.
- high-level **legal considerations** that you will need to work with the legal team on, including due diligence, risks and liabilities and contracts
- what to consider when asking CEGs to report on their **performance and impact**

Potential scope of services

A first step when considering commissioning a community-led energy advice service is to consider the potential scope of the services they might deliver.

CEGs can deliver services directly funded by the council e.g. to deliver fuel poverty objectives and/or support vulnerable households or delivering subsidised advice to the 'willing to pay' market. They can collaborate with the council on minimum energy efficiency standards (MEES), e.g. creating action plans for houses that do not meet MEES following inspection from a borough enforcement officer.

CEGs can also deliver national funded advice on behalf of the council, such as the Household support fund, Energy Company Obligation (due to be terminated) or Home Upgrade Grant.

There may also be opportunities to undertake joint bids between the CEG and the council to enable them to access funding, e.g. to Energy Redress or DESNZ

Your role

When considering whether to commission an energy advice service from a CEG, first review current energy advice provision.

You should work with colleagues who deliver the borough's fuel poverty and retrofit programmes to identify where their objectives align with the capacity and expertise of community energy groups. Initial meetings should focus on agreeing the scope of services the CEG may be able to offer.

Procurement considerations

1/2

A tender process is required if the commercial arrangement is worth more than the national procurement threshold. [The threshold for 2026](#) is set at £207,720.

When assessing whether a contract is above or below threshold, procurement teams must estimate the contract value, considering the full contract lifecycle, any potential extensions and include VAT. Often this means that procuring the same organisation through multiple contracts can trigger a full procurement process, even if each individual one is below the threshold, due to their aggregated value.

If a commercial arrangement is worth less than the national threshold, it may be possible to award contracts directly without proceeding with a competitive process depending on the level of spend.

However, many councils have internal procurement policies that often set a much lower threshold for requiring a competitive process. Decisions to direct award contracts will be tightly restricted by the procurement team, who will need a clear demonstration that only the named organisation can deliver the service required.

A preferred supplier route may be an option to avoid a full tender process in this case.

Procurement considerations

2/2

Role of the climate officer:

Procurement officers may not be aware of how CEGs operate. You can support them to develop a fair process that will enable CEGs to bid for and win contracts for energy advice with the council. Some potential considerations include:

- Tender processes can require a significant investment from the bidding organisation. You should consider if it is possible to avoid a competitive process by reducing the contract value or using a preferred supplier route. If not, can the competitive process be as light as possible – e.g. requiring quotes rather than a full tender.
- There are strict rules around contact with organisations during a tender process so as not to prejudice the outcome. However, CEGs may struggle with some aspects of the formal process, particularly if they have not completed a tender previously. You should consider how the council can offer support to them in a fair way that is in line with procurement rules.
- An open tender process may attract commercial organisations to bid. The tender notice and requirements need to make it clear that a community-led approach is critical. This might include specific social value requirements, as well as additional criteria on the delivery model.

Joint funding bids

Developing a joint funding bid with a CEG can offer the council a route to access national funding pots, without needing to develop the capacity to deliver the service. In some cases, these funding pots may not be available to the council unless it is partnered with a CEG, e.g. Ofgem's Energy Redress fund.

To develop a joint funding bid, you will need to work with the CEG to scope the bid and the shape of the partnership. The CEG will usually lead the bid writing process. The borough's legal team will need to be involved to ensure the council is able to sign the necessary contracts with the CEG and with the funder.

For example, for Energy Redress funding, CEGs generally write the bid and source partnership/support. The council usually provides a letter of support and some staff time to support delivery of the project.

Your role

You can lead the process of writing and getting sign off for letters of support from the council.

You will need to support the CEG to secure council staff time to contribute to the project delivery.

You can also support the CEG to engage with the legal team to assess the contractual requirements of the funding bid.

More information

More information on potential funding sources is available in the *Access to Funding and Finance* section of the toolkit.

Legal considerations

1/2

Following a successful direct award, preferred supplier process or tender process, the borough will need to enter into a contract with the CEG for the delivery of the energy advice service. To do this the legal team will need to consider due diligence checks, risks and liabilities and develop contracts.

Due diligence

A due diligence check is an essential first stage to ensure that the council is satisfied the CEG can deliver the service. Due diligence is an investigation into the background, financial condition, business operations and contractual obligations of an organisation.

The legal team should undertake this check. You can facilitate the conversation between the legal team and the CEG.

Risks and liabilities

The legal team needs to consider any risks and liabilities if things go wrong. This could include responsibility for any misleading or incorrect energy advice given, retrofit work causing damage or safeguarding issues in home visits to vulnerable residents. Both the council and the CEG will need to undertake a full risk assessment.

The council will need to require the CEG to take out adequate liability insurance to cover the contract.

Legal considerations

2/2

Contracts:

Contracts will need to be developed to cover:

- The scope of work including any outputs, expected data collection and safeguarding standards
- Key performance indicators e.g. number of household visits and reporting requirements
- Any sub-contracting agreements e.g. between any retrofit contractors or energy assessors
- Data sharing agreements e.g. sharing the council's data on vulnerable households or social housing tenants.
- Insurance and indemnity agreements
- Potential recourse and remedial actions if delivery targets aren't met, including break clauses

Role of the climate officer:

You can support the legal team to work with the CEGs, facilitating conversations and ensuring the legal team's correspondence is understood by the CEG.

Measuring performance and impact

Once the contract has been agreed, the borough will need the CEG to report regularly on service delivery. Measuring performance and impact regularly will be critical to ensuring that the service meets the standards required and demonstrating value for money. The council should require key performance indicators to be reported on regularly (e.g. quarterly), for example:

- Number of advice sessions delivered or number of people reached
- Number of measures installed of each type
- Amount of national funding access – e.g. ECO measures

Additional reporting should be undertaken periodically (e.g. annually) to track the outcomes of the advice delivered. For example:

- Number of participants reporting changes in energy use habits
- Annual fuel consumption reduction (kWh)
- Change of household perception of comfort post-energy efficiency work

Data on outcomes tends to be harder to track as it requires re-visiting households after a period of time. To report on these, the CEG could undertake surveys of people engaged, complete follow up visits, develop detailed case studies and report on feedback received through the year. The contract should include funding provision to enable this reporting work to be completed.

Your role

You can support the development and implementation of the reporting requirement, by:

- Establishing KPIs and developing the monitoring and evaluation framework, including appropriate mechanisms for tracking performance e.g. survey of households supported
- Ensuring the CEG is clear on reporting expectations/processes and recourse should issues arise

More information

More information on measuring impact is available in the final slide of the *Setting up a Community Energy Fund* section.

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The logo for London Councils features the words "LONDON" and "COUNCILS" stacked vertically in a bold, white, sans-serif font. A white, curved line sweeps from the bottom right of "COUNCILS" and underlines the text.The logo for Repowering London consists of a circular arrangement of white rectangular blocks forming a ring. Inside the ring, the words "REPOWERING" and "LONDON" are stacked vertically in a white, sans-serif font.

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