



Department  
of Energy &  
Climate Change

## Energy Savings Opportunity Scheme South West Roadshow Highlights

27 November 2014

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*This report presents highlights from Bristol; we will also be producing a summary of all four events. This will give detailed analysis of the points raised in discussion sessions, both on ESOS and the policy landscape. We'll also use that report to address questions about ESOS which we couldn't cover on the day.*



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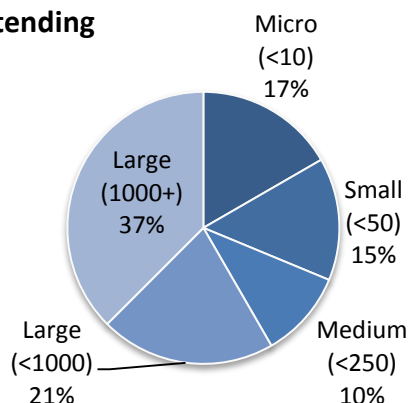


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## On the day

Close to 150 people attended the South West roadshow in Bristol, representing businesses, local authorities, local universities and other bodies. There were a range of different sized businesses; from those with just a handful of employees to others with thousands of staff at multiple sites. Around two-thirds of the organisations present will need to comply with ESOS.

**Scale of businesses attending**



The Roadshow featured a mix of presentations from speakers, panel discussions and table discussions. The aims of the roadshow were to build awareness of ESOS and the benefits of going beyond compliance by implementing energy efficiency opportunities, and to gather feedback on the wider business energy efficiency policy landscape.

### Morning

Welcome - Councillor Heather Goddard, South Gloucestershire Council and Clive Maxwell, DECC

Business case study - Jes Rutter, JRP Solutions on behalf of Rolls Royce

Introduction to ESOS - Martin Adams, DECC

Round table discussions on ESOS

ESOS panel Q&A

### Afternoon

Business case study - James Tiernan, UNITE Students

Financing for energy efficiency - Miles Alexander, Green Investment Bank

Local opportunities - Andrew Garrard, Bristol 2015  
Amy Robinson, Low Carbon Southwest

The UK landscape of business energy efficiency policies - Dr Philip Douglas, DECC

Roundtable discussions on UK energy efficiency policy

Continued  
Parkwood  
Consultancy  
Services Ltd  
Power Electrics  
(Bristol) Limited  
Quidos Ltd.  
radiodetection  
RBS  
RR Donnelley GDS  
Ltd  
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Trant Engineering  
Ltd  
Triodos Bank  
Ty Mor Consultants  
Ltd  
Uniq Solutions  
UNITE Group plc  
URS  
Vale Europe Ltd  
Wales & West  
Utilities Ltd  
Wessex Water  
Wiltshire Council  
Wincanton  
Yeo Valley

## All about ESOS

In the morning sessions the roadshow focused on the Energy Savings Opportunity Scheme. Martin Adams, ESOS team leader at DECC, gave an overview of the scheme and its requirements. Martin emphasised that the ESOS audit is designed to give businesses clear information about the potential cost savings of energy efficiency which they can act on.

Participants had a range of questions about how ESOS will be implemented, for example some had concerns about the speed at which lead assessors will be trained, and their liability if audits were found not to be compliant. DECC confirmed that businesses would hold ultimate responsibility to ensure compliance. Some businesses were concerned that the multiple accreditation schemes would mean inconsistency amongst assessors; others saw benefits in being able to choose a specialist in your sector.

DECC and the Environment Agency clarified that there are 13 registers of lead assessors in place and they expected the market to respond to meet demand over the coming months. They emphasised that businesses could act now to begin complying without a lead assessor, and/or could train up their own energy managers to act as lead assessors if they met the requirements of one of the approved registers. The EA also confirmed that all professional bodies had been subject to the same approvals process and would be subject to quality assurance to ensure that their lead assessors met the minimum standards set by PAS 51215.

A few participants had suggestions for ESOS, 'naming and shaming' businesses who failed to comply, for example, or branding to allow those who are compliant to display it to their customers and supply chain.

We also asked businesses to share their own experiences of energy auditing and efficiency savings.

### What lessons have you learnt from implementing energy audits?

Some tables focused on the practical challenges of auditing, for example, the frustration where managers had unrealistic expectations of the data available.

**"You can't manage what you don't measure."**

### Business case study: Rolls-Royce

Jes Rutter of JRP has been working with Rolls-Royce at their Bristol site to bring it up to ISO50001 standard (and thus ESOS compliant). With energy usage decreasing in recent years, but energy costs still going up Rolls-Royce see a clear business case for energy efficiency.

Jes had a range of learning to share with others, based on his experiences. First, he benefitted from senior level buy-in which drove support for the project and helped ensure resources were available.

His second recommendation was engaging people on the ground, with Rolls-Royce placing energy champions in each area of the business. Champions were given training and support relevant to their work environment, so both production and office settings benefit.



Thirdly Jes emphasised the importance of quantifying how much you are using and saving. This means monitoring systems where these can be installed, and less high tech solutions where they can't.

*"The best thing you can do for an office is buy a light meter and a thermometer – go in and measure at the weekends – you'll be surprised!"*

Other participants agreed that there was scope for improvement in the area of energy data provision, using visualisations say, to bring data to life. Some were more concerned with the difficulty of getting buy-in where savings are smaller, or payback periods longer.

### What lessons have you learnt from implementing energy saving opportunities?

Going beyond energy audit to implementing energy efficiency improvements participants

discussed both the challenges and the opportunities. Some felt that it was important to remember that the simplest measures could sometimes be the most effective, moving refrigeration units away from shop windows, for example.

Other participants talked about the challenges of engaging employees in energy efficiency, both in terms of behaviour change which could reduce energy directly or persuading businesses to change suppliers where relationships might have built up over time. One table mentioned the idea of internal consultation and testing out changes first to increase uptake.

*“Be aware of end user and trial [changes] first. Have proper engagement with the end user.”*

Several tables emphasised the benefits of good examples or case studies to help them identify effective measures. Some advocated for more local/regional skills and knowledge sharing. A similar point was made about benchmarking data, with a few participants citing the paucity of good benchmarking as a barrier for them, and one suggesting that Government might have a role in collating this type of information.

## The energy efficiency landscape

Dr Philip Douglas, Head of Energy Efficiency and Community Energy Strategy at DECC, gave an outline of the current policy landscape for efficiency, and highlighted areas where Government has already taken steps to simplify and reduce the burden on businesses.



Several tables discussed the challenge of getting management buy-in to taking efficiency measures. Some were optimistic that this was already starting to change.

*“There’s a generation gap [in management] – there’s a new skillset coming through with a greater interest in sustainability”*

Others argued that there was a need for external pressure, including some suggestions for legislation with fines – although this was not a universally held view!

Some participants mentioned other areas of legislation that they felt were particularly helpful - describing positive experiences with the CCA helpdesk for example, or supporting the ‘clear carrot /benefit approach’ of the CRC revenue recycling scheme. However there were others who had not found current schemes so easy to navigate and were anxious about an increased regulatory burden. Some felt that businesses which had already made significant progress might lose out as they would benefit least from new regulation which applies across the board, in comparison to those who had yet to make the ‘easy’ wins.

The difficulty of making investment decisions where payback periods are longer was a prominent theme, with participants arguing that the investment cycle for many businesses was just too short relative to some efficiency measures. Other suggested ‘carrots’ included reduced VAT on energy efficiency products like LED lighting. In contrast some were keen for harsher penalties, and/or more rigorous enforcement.

At the wider policy level several people mentioned the potential for policy to change as a result of shifting Government priorities as a barrier – arguing that management was

### ***Business case study: UNITE Students***

The second case study came from James Tiernan of student accommodation provider UNITE Students. James outlined the measures they have used to improve efficiency across their estate. The company faced significant challenges, from the variety of buildings in their estate, to their model of including all energy costs in rent, and the ‘unpredictable’ consumption patterns of their resident students.

James and his team started with a systematic analysis of the current status, reasoning that:

*“A good plan today is better than an excellent plan tomorrow”:*

They focused on the most common of their building types, which they saw as the biggest opportunity for savings. One of their first successes was the replacement of lighting with LEDs, where they identified further benefits on top of energy savings, like a 30% reduction in maintenance tasks, and improved lighting quality.

They’re also adapting local and central heating controls in order to decrease energy usage without affecting resident satisfaction, one of their main drivers as a business.

UNITE Students are also rolling out a bespoke behaviour change programme to encourage students to do their bit – James is hopeful that they can make another 5 to 10% dent in energy use.

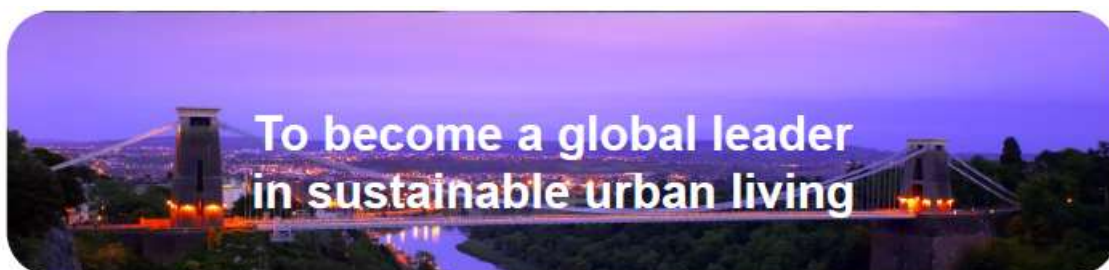


unwilling to invest if they felt the situation could change rapidly. Another repeated comment was the lack of support for small businesses, who felt that current policy did not sufficiently incentivise or mandate them to take steps towards efficiency.

## Financing for energy efficiency

Miles Alexander of the Green Investment Bank talked about how GIB is providing flexible capital to businesses for energy efficiency measures, for example industrial processes. Miles emphasised the importance of supporting businesses to get ready to invest; researching options, preparing a business case, and getting buy-in from a board.

Andrew Garrard of Bristol 2015 and Amy Robinson of Low Carbon South West updated businesses on local initiatives to help improve their green credentials in other ways. Bristol 2015 celebrates Bristol's recognition as European Green Capital, with many opportunities for businesses to get involved as the programme develops online at [www.bristol2015.co.uk](http://www.bristol2015.co.uk). Low Carbon Southwest launched their new web tool and events programme Go Green to help businesses plan, prioritise and track their sustainability progress at [www.gogreenbusiness.co.uk](http://www.gogreenbusiness.co.uk)



## Feedback on the day

Evaluation forms on the day showed that participants found the day useful, learning more about ESOS and how other businesses were responding. The wider policy discussions are providing DECC with useful insights as they work towards a review of energy efficiency policies in 2016.

*“Very informative, good range of speakers. Have gone away with a lot of actions.”*

*“Good to interact with DECC”*

*“Gave me an insight into what is expected from the legislation.”*

DECC is hosting a total of four roadshows in Durham, Bristol, Manchester and London to hear the views of businesses there. Once all the roadshows are complete a summary of all the discussions will be produced and sent out to all those who attended. In the meantime you can find out more about ESOS online at:

<https://www.gov.uk/energy-savings-opportunity-scheme-esos>