

**Growing a Resilient Green Economy in the East Midlands – online debate (15 November 2011, 9-10am) held on the Local Economic Growth Network (LEGN) Community of Practice:**  
<http://tinyurl.com/24dxsqq>

## **Introduction**

['Enabling the transition to a green economy: Government and Businesses working together'](#) published jointly by Defra, BIS, and DECC in August 2011 looks ahead to 2020 and maps out planned Government action across areas including climate change, resource efficiency, waste prevention, carbon capture and storage, offshore wind generation, and the Green Deal. The document has been developed in response to requests from the private sector for greater clarity on what government means by a 'green economy', the policies being put in place to achieve this, and how they come together.

Meanwhile, nearer to home the appearance of photo voltaic (PV) solar panels on the roofs of houses, schools, health centres, churches, fire stations and businesses over the last 18 months is perhaps the most visible indication yet of the green economy having arrived. With the Renewable Heat Incentive, Green Deal and other policy measures also in the pipeline there are a growing number of financial incentives that can turn the serious business of tackling climate change into a more tangible local economic opportunity.

Panellists from East Midlands Councils, Efficiency East Midlands, Stephenson College, De Montfort University, Leicestershire County Council and Change Agents will discuss major new plans for retrofitting public housing on a large scale, the potential benefits, the skills requirements, the current training and educational opportunities available and the reality of local employment in this rapidly developing area.

## **Opening Remarks**

### ***Mike Peverill, Climate Change Co-ordinator, Climate East Midlands***

Hello and welcome to this topical online debate. My name's **Mike Peverill** from Climate East Midlands and I'm chairing this morning's discussion on behalf of East Midlands Councils. My interest stems from a £1million Climate Skills Programme that we are currently running for councils, communities and schools in the East Midlands. Joining me are:

**Oliver Savage** from Leicestershire County Council's Climate Action Team. They are hard at work tackling the county council's carbon emissions and participating in a region-wide project aiming to reduce emissions from the schools estate in particular. Oliver co-organised a Low Carbon Economy event during Climate Week in March.

**Emily Braham** from LHA-Asra Group (providing housing and regeneration services to over 12,000 homes in central and southern England) is helping to spearhead a project which could lead to a major retrofitting programme for social housing in the East Midlands to reduce energy bills and carbon emissions.

Stephenson College in Coalville runs a number of training courses in renewable energy technology, including installation and maintenance and hosted a recent Skills for the Green Economy conference with the TUC (Unionlearn). **Gary Hancox** from the college will contribute to the debate.

**Rick Greenhough** works in De Montfort University's Institute for Energy and Sustainable Development which hosted a recent workshop called 'Retrofitting in a changing environment – developing an integrated strategy for social housing'.

**Karl McGrory** works for Change Agents, an Oakham (Rutland) based charity that runs a successful recruitment service, matching green graduates and post graduates to job opportunities.

We're intending to explore how the green/low carbon economy can help to create economic growth and create jobs (in the East Midlands). Panellists all have something of a Leicester/shire/Rutland connection, so I'm intrigued to find out if this is where the green economy is at its most active!

Please feel free to chip in with questions and observations - we look forward to some stimulating digital interaction!

## **Climate Week**

***Mike Peverill, Climate Change Co-ordinator, Climate East Midlands***

Oliver, can I start by asking you how things have changed since you hosted a Low Carbon Economy event during Climate Week in March? It was well attended and lively, so has the momentum continued since then?

***Oliver Savage, Team Manager Climate Action, Leicestershire County Council***

There have been some changes - the clear growth in the installation of Solar PV in the domestic arena; increased discussion about the creation of green jobs and the not inconsiderate impact of activity on the Green Skills agenda.

From my perspective these are being driven primarily by Central Government policy and practice - developing a market mechanism to drive change.

In terms of local activity - this too seems to be present - whether it's exploiting that market - companies like Marks Insulation or Greener practices in the work place. In terms of a local drive on the Green Economy however, that seems less clear cut. There does not appear to be a clear leader or driver for making a significant change towards a "greener low carbon economy".

***Mike Peverill, Climate Change Co-ordinator, Climate East Midlands***

Emily can I ask you about the Efficiency East Midlands retrofit project (which you spoke about at another Climate Week event in March in Nottingham)?

***Emily Braham, Business Development Manager, LHA - ASRA Group***

I'm currently involved in several strands of work, all of which have a clear focus to develop the local green economy:

When I last spoke I was particularly talking about the EM Green Project. Efficiency East Midlands (EEM) has received funding from East Midlands Councils (EMC) to develop a cohesive regional approach to energy efficiency retrofitting, including bringing together all of the work which social housing is doing on PV and developing a resource for all EMC members and Housing Providers to use. The second main focus of this work is to develop a regional Green Deal fund / response.

The focus of this project is evolving due to the Government's proposals for Green Deal, so I can give more detail on that one.

I am also involved in a project with LCC and Groundworks which has got WNF funding. This is to train 60 people to work on PV installations.

Finally, we've just been told we've got Eracobuild EU funding, which is to trial the delivery and assessment side of the Green Deal.

The idea, particularly for the first and last of these three projects, is to develop a regional approach to Green Deal which does ensure that the local economy is given a chance to develop, and that we can meet at least some of the requirements for work, supplies etc. from the East Midlands.

**Green Skills**

***Ivan Annibal, Rural Practitioner, Rose Regeneration***

And just to make things doubly interesting can I ask a completely unrelated question - which is - notwithstanding the massive growth of interest in and profile of the "green economy" it seems to me far than straightforward for people to plan an easy and accessible route into it as a profession. How do you think the FE/HE sectors should respond?

***Oliver Savage, Team Manager Climate Action, Leicestershire County Council***

There are forums around FE/HE sustainability - the key it seems to me is that all professions should understand how they will impact on the Low Carbon Economy and the role they can play. So some form of programme in HE/FE to provide all students with some knowledge and information would be useful - and in particular practical information that debunks myths and misplaced opinion.

There remains confusion amongst many people about basic environmental/green ideas and information - so a basic programme to establish some clear and common knowledge would be a useful place to start. This could almost be a "Green Access Course".

***Richard Greenough, Principal Lecturer, Leicestershire County Council***

I think the keyword here is access. We have developed three MSc courses that can be studied by full-time students, part timers (who are usually employed) and distance learners. This is to try to make our courses as accessible to as wide a range of learners as we can. We also try to accredit prior learning so that people who come to us via an unorthodox route can still study with us.

***Mike Peverill, Climate Change Co-ordinator, Climate East Midlands***

Can you tell us a bit about the level of demand for these courses? Where are students coming from and where do they go afterwards?

***Richard Greenough, Principal Lecturer, Leicestershire County Council***

Apart from different modes of study, we have provided different exit points to our courses so that students don't need to study for the full MSc if they don't want to. They can study four modules for a PGDip, eight modules for a PGCert or eight modules plus a dissertation for the full MSc. The idea is to be as flexible as we can, however we cannot actually employ students after they finish with us, so there needs to be a jobs market for them to enter - whether it's here or abroad. There is no shortage of interest in working as part of the low carbon economy, but the jobs are not as plentiful as I would like.

***Ivan Annibal, Rural Practitioner, Rose Regeneration***

Thanks for this - what is the take up? I am also interested to know what people think about how easy it is to convert more traditional skills areas in terms of the standard training done by electricians and plumbers to "make them green"?

***Karl McGrory, Head of Change Partnerships***

At CHANGE AGENTS UK we see a high demand for graduates wanting to enter the green economy and looking to us for advice. We always recommend voluntary work as a route into your area of choice if you do not have a relevant degree and even if you do as it is so competitive out there. We have a huge demand for our roles and a limited supply and that was the case even before the economic downturn!

***Emily Braham, Business Development Manager, LHA - ASRA Group***

I'd be interested to talking to you further Karl; not sure if I could highlight specific jobs at the moment, but I'm sure we could get people involved in what we are doing in some way if they wanted to learn more.

Further information on what we're doing can be found here: <http://em-green.co.uk>

***Chris Ward-Brown***

I think it is possible for us to become confused very easily when thinking or talking about a Green Economy and the skills and opportunities it presents. To

answer Ivan's question, I would ask him what he means? If he is talking about the skills for low energy building, then HE and FE can answer the question. IF you are talking about low energy transport, it's a different set of skills and so on and so on. If the skills you are looking for are about economic development, then it's a different set of skills again. In other words, I think it can be very unhelpful to think about a "green economy". We only have one real economy - albeit a bruised and broken one - and that's where we should focus our skills and learning effort.

***Ivan Annibal, Rural Practitioner, Rose Regeneration***

I agree that labels can be unhelpful. It is interesting however that there is so much interest in the transition to a low carbon economy in all its manifestations in the UK and elsewhere. I wonder if the fact that we tend to slip into using the term "Green" as a catch all means that too few people understand it and consciousness and knowledge is lagging behind the actuality of what is happening. If so is this something we should be concerned about?

***Mike Peverill, Climate Change Co-ordinator, Climate East Midlands***

Karl, what are prospects like for graduates or post-graduates who want to work in the green economy sector?

***Karl McGrory, Head of Change Partnerships***

I would emphasise a few points in regards to the opportunities out there: Of nearly 10,000 graduate job seekers on our database over 50% have masters degrees or higher and relevant intern or voluntary experience. The opportunities they are after are so highly sought after it is hard to believe.

As I said earlier there are also many looking to change career and they simply don't stand a chance if they have not got relevant experience to compensate for a lack of technical knowledge.

Finally the big projects we have had over the last few years have been national indicator led and target driven. Without these drivers the prospects in the public sector have taken a massive hit and now with the cut in feed in tariffs a large driver in the private sector is gone. Prospects are grim at the moment and we wait with baited breath to see if the new projects such as the green deal create the level of opportunities required.

We are also working with Leicester college and have received some funding to pilot a cross cutting module on sustainable change, trying to provide everyone from hairdressers to chefs with the skills and mindset to promote sustainable business in the green economy; my colleague Nick Goodman is leading this.

***Gary Hancox***

At Stephenson College we have a range of bolt on new technology skills i.e. PV, Solar Thermal, Ground and Air Source Heat Pumps etc., however these all require pre - requisite qualifications in either plumbing or electrical installation.

There are also routes in via insulation installation (loft, cavity wall etc.) which should be a starting point.

## **Prospects in the Green Economy**

### ***Mike Peverill, Climate Change Co-ordinator, Climate East Midlands***

Just to clarify, the idea of the discussion is to try to focus on the built environment – the construction sector as one example of how change can happen. This is where there is lots of current activity and policy initiatives and potential projects that could make a bigger difference.

My understanding of the USP of the EM Green Project is that it's about action on a large scale - retrofitting energy efficiency and renewable energy into the social housing sector.

### ***Richard Greenough, Principal Lecturer, Leicestershire County Council***

I would echo comments about confused thinking. There are jobs in green construction, but they are probably not in the UK. We use building energy analysis software that is supplied from a UK company. They are expanding fast into other parts of the world, such as the Arab countries and the Far East where there is strong demand for their products from a busy construction sector. Similarly a local architect with world beating expertise in green building materials and green construction techniques is opening offices in the Middle East and Far East, but seems to be shrinking here.

### ***Chris Ward-Brown***

Just to argue (ever so nicely!) with Rick. There ARE jobs in green (sustainable) building and the shift to increasingly sustainable approaches to construction in all its phases - from design to construction to retrofit - has created opportunities in the UK. But we do also need to understand the massive impact the recession has had on the construction sector. But (and I was looking at the figures only yesterday) the "Repair and Maintenance" housing sector is showing some signs of recovery - it's almost unique in that regard.

So, we have transition, from wasteful and unsustainable buildings and building practice AND we have recession in the general market. If we were able to take a long view, we would probably see that those firms and professionals who are able to understand and add sustainable (including but not limited to low carbon) do have an edge on the competition. I think that FE and HE understand that, but sometimes the lexicon gets in the way.

### ***Richard Greenough, Principal Lecturer, Leicestershire County Council***

Thanks Chris for picking me up on my too gloomy prognosis for UK construction. Of course, you're right that there are jobs and it is interesting that you point out the jobs in maintenance and repair. I have heard a similar story from a chartered surveyor friend, whose section that deals with building maintenance is busier than ever in contrast to colleagues who specialise in new build.

It might not be wise to extrapolate this trend too far, but I do believe that maintenance and repair will be a much bigger part of our economy generally (i.e. beyond housing) as consumers are increasingly incentivised by waste legislation, rising prices and falling real incomes to 'make do and mend'. It is interesting to consider the extent to which this trend is green. Newer cars and newer houses are often much more efficient in the use phase of their lifecycles than old ones, and retrofitting can be very expensive financially and energetically. Green skills includes making trade-offs like this, that are not always intuitive. We need fresh thinking and better analytical tools to guide us.

***Oliver Savage, Team Manager Climate Action, Leicestershire County Council***

The County Council has been working with Leicester College who are developing an Environmental Awareness Course at Level 2. The accreditation is done nationally but the course is one day with a practical audit requirement at the end. We are intending to take 100 staff through the programme in the coming months from all across the authority which we hope will do a number of things:

- Widen understanding about the environment and what we can achieve to reduce our impact;
- Get some practical feedback from the environmental audits they undertake in their work areas;
- Contribute to enabling staff in the organisation to understand how they can influence practice across the authority.

What is clear is that change will not come about if it is left solely to "Green Professionals" - organisations require a wider base of staff to have some skills and understanding on the environment to drive change.

***Mike Peverill, Climate Change Co-ordinator, Climate East Midlands***

The term 'green economy' seems to have been introduced fairly recently in a cross Government paper 'Enabling the Transition to a Green Economy: Government and business working together', which is available here: [http://www.businesslink.gov.uk/Horizontal\\_Services\\_files/Enabling\\_the\\_transition\\_to\\_a\\_Green\\_Economy\\_\\_Main\\_D.pdf](http://www.businesslink.gov.uk/Horizontal_Services_files/Enabling_the_transition_to_a_Green_Economy__Main_D.pdf) - previously the term 'low carbon economy' seemed to be the catch all description for several years.

I may be adding to the confusion, but I also wanted to drip into the discussion the idea of a 'resilient' green or low carbon economy - which from my perspective also includes the concept of making the economy resilient to changes in the climate.

***Emily Braham, Business Development Manager, LHA - ASRA Group***

I would like to tell you a bit more about our EM Green and Eracobuild projects. Our initial focus was that Green Deal was a massive opportunity to scale up retrofit. However real issues exist over how we keep control, ensure the impact on fuel poverty is positive, and ensure that the local economy benefits. A regional approach we felt would lend real strength to various areas, in particular procurement and financing. We started off by looking at the financing side of

things as Phase 1 of the project. Phase 2 is moving more onto the delivery side of things. EEM has a particular focus on procurement, so the key thing now as PH2 is to decide how best the region can procure either a Green Deal provider, or set up a GDP and procure materials and services. We want to ensure that assists with capacity building within the region for both provision of materials and delivery, which is challenging, and I'd welcome views on how best to go about this. Our thoughts are that it must be possible. When you start to look at the enormous potential and think about delivering in an organised and structured way (a massive challenge in itself) this will allow supply chains to develop and training to be delivered.

## **Retrofit**

### ***Mike Peverill, Climate Change Co-ordinator, Climate East Midlands***

Emily, can you explain a bit more about the retrofitting project? Or should I direct people to your presentation (back in March) [http://www.climate-em.org.uk/images/uploads/LHA\\_Asra\\_presentation\\_Nottingham\\_22032011\\_1.pdf](http://www.climate-em.org.uk/images/uploads/LHA_Asra_presentation_Nottingham_22032011_1.pdf)

### ***Emily Braham, Business Development Manager, LHA - ASRA Group***

Retrofit is a new area of work which can help to grow the economy in the region. There is expected to be a big boom in work for this area, and I'm interested in finding out how we can make sure the East Midlands does benefit from this.

### ***Richard Greenough, Principal Lecturer, Leicestershire County Council***

Retrofit is perhaps the brightest area for green construction in the UK (our old and hard to heat houses are not going anywhere).

The green deal could provide a significant stimulus to this market if home owners can be persuaded to take it up. This is such a new type of loan, that it will have to be explained very clearly and the industry will have to be ready with some innovative products.

There is lots of scope for new skills, and also combinations of old ones. I can see the need for an individual who can carry out an energy survey, measure up a property for insulation and windows and explain the different costs and benefits of a range of retrofit solutions as well as the mechanism of the Green Deal. This person will need to be trustworthy and suitably qualified and certified. Training and education could be via a combination of FE and HE.

### ***Mike Peverill, Climate Change Co-ordinator, Climate East Midlands***

From what I'm picking up so far, it seems like there is plenty of provision, in terms of skills training at different levels, but still not yet the demand from employers. But if we want to seriously scale up this whole area, what should come first? Gary could you comment? Do we have a view from an economic development professional?

**Gary Hancox**

We at Stephenson College are currently working up a project with Union Learn, a local employer, sector skills council and Groundworks to provide retrofit training both in FE and the work place which will benefit the local community in terms of jobs and provide a boost to the local economy. This project will primarily be aimed at NEET learners but will of necessity require skilled workers.

**Oliver Savage, Team Manager Climate Action, Leicestershire County Council**

The Green Deal, FITS and RHI will generate demand for practical skills and job creation in the construction arena. In addition a Directive for the EU on Energy Efficiency may lead to a greater demand for these services from the public sector. The directive requires public sector organisations to improve 3% of their occupied floor space to the current energy efficiency standards each year from 2014. This will require not only the practical construction skills but skilled and creative engineers, designers and architects to plan schemes that are within the investment capacity of these public sector organisations.

Certainly our experience to date is that finding creative solutions to energy management in places like schools is fairly difficult - specialist services in this area are difficult to find. Retrofit in commercial and large public buildings does not appear to be as prevalent as the skills available at the domestic level.

**Andrew Wright**

It's important to remember the differences between renewable installations (massively stimulated until now by the FITs) and retrofitting buildings to reduce their energy demand (mainly through better insulation and air tightness). PV installation is relatively simple, non-intrusive and can be done by small companies. Serious housing retrofit, as we've been involved in through 'Retrofit for the Future', is a much more complex process, more disruptive to the household, bigger supply chain etc. and there are major potential economies of scale and possibly cost reductions through off-site manufacture of components. And while FITs made PV highly attractive financially, if you were staying in the property, the financial benefits/payback of retrofit are much less clear-cut. So it's a different ball game.

**Karl McGrory, Head of Change Partnerships**

Oliver is 3% not a tiny amount which could be achieved through some creative reporting? The "Greenest Government Ever" is not being strong enough and being conservative led will not implement strong targets and regulations to create real change in this sector.

**Oliver Savage, Team Manager Climate Action, Leicestershire County Council**

3% annually could potentially be delivered through creative reporting - and it not clear what penalties might be in place should an organisation fail to deliver. For the County Council an initial estimate of the investment required to deliver this

would be about £6 million annually. Hard to hide I would suggest! If as I understand it this would apply to Universities, the Health Service, Police Authorities etc.

If applied and delivered this could provide a significant stimulus to larger projects - projects much more focussed on managing energy demand than on energy supply. To be commended really but like you I do wonder if the reality will be creative reporting.

***Karl McGrory, Head of Change Partnerships***

Great information Oliver, hopefully the projects will be big enough to create momentum, especially within the massive estates of NHS and Universities which are already growth areas for us. We have a few years of successful projects with Universities behind us and they are growing every year. I think we have worked with Leicester University since about 1999 and Nottingham Trent is really leading the area so the East Midlands is well placed here. Also we are now seeing an increased interest and demand for sustainability projects in the NHS.

***Gary Hancox***

We too are experiencing a growth in the retrofit market with our major employers all moving into this market from the new build sector. Training in maintenance operations rather than one specific trade has increased greatly with social housing maintenance companies and is providing a number of opportunities.

**BIS Viewpoint**

***Maria Lyle, Assistant Director, BIS East Midlands***

As a department we have a keen interest in this section of the economy (as referenced in the paper that Mike linked to). I have been interested in reading the contributions, and would like to flag up some of the opportunities for East Midlands' firms that the upcoming Growth Review may bring in the next few weeks. Whilst we are still finalising what is contained in it, there should be a number of projects contained within it that are based around the green economy.

I would also be interested in finding out if anyone had picked up on the huge project that Rolls Royce are working on (offshore wave power) and whether there are opportunities for local firms as part of their supply chain.

***Karl McGrory, Head of Change Partnerships***

Thanks for the heads up Maria, please let us know when the report is ready. CA would definitely be interested in the new projects. Do you have a contact at Rolls Royce? I would love to speak to them about any graduate skills gap they have.

**Economics and Resilience**

***Ivan Annibal, Rural Practitioner, Rose Regeneration***

I am intrigued by the scale of the potential impact of interventions around this agenda in terms of the built environment. I don't think payback is very easy to calculate for the lay-person and those promoting schemes commercially are tarnished by the broader suspicions that now exist around the door step "mis-selling" approach.

Where is the greatest scope for both economic return (in a sensible timescale) and the creation of jobs - from an economic development perspective - in terms of the evolution of low carbon built environment projects?

***Richard Greenough, Principal Lecturer, Leicestershire County Council***

Resilience means different things in different parts of the world. The biggest problems facing our economy seem to be financial and political, not environmental. However, that may not be the case for long. Businesses that rely on global supply chains have real problems with resilience. They will worry about floods and crop failures as well as pestilence and storm damage - all resulting from climate change. Apart from flood risk to London and the possibility of illness and increased mortality from heatwaves, I don't see direct risks to the UK from climate change in the short to medium term. However rising and volatile energy prices will be a continuing problem for all of us. Just this morning, there were calls for the Government to scrap a planned increase in fuel duty. And yet energy is still too cheap for most of us to take seriously the need to save it. We impress upon students the need to save energy and the strong link between energy and GDP growth, but knowing the facts and changing behaviour are two different things.

***Mike Peverill, Climate Change Co-ordinator, Climate East Midlands***

So, do we need more Government action here, or are we waiting for the market to come up with some solutions, or is there scope for more imaginative, collaborative locally driven approaches like EM Green retrofit? And if so, where is leadership going to come from?

***Emily Braham, Business Development Manager, LHA - ASRA Group***

The Government has recently talked about a Green Deal Finance Company. The intention is that this will deliver finance to the home owner at 6% through different GD providers or Local Authorities. This is privately led, by PWC with various banks as partners. They are intending to set up a not for profit organisation to give low cost loans by co-ordinating the whole market, enabling all of those things only possible at scale, such as bonds/pension funds etc. We expect that some Government money may be required initially to get this going, as a buffer. This is a great idea and I really hope it works. It will show that Government intervention can work to get private markets going.

The model is quite similar to that which we are looking at in the East Midlands, and that's why we are now focussing on the delivery side of things more as Phase 2. Until we know whether the PWC GDFC will work, there is no point in us doing the same so we need to focus our attention where we will make more of a difference.

## **Feed In Tariffs**

### ***Gary Hancox***

Employers were being incentivised through such things as the Feed In Tariffs that could be claimed, but as we know these have now been slashed. What should come first is an awareness of what is available, this seems sadly lacking by some and there is a one size fits all mentality which is in danger of providing the industry with a bad name.

### ***Emily Braham, Business Development Manager, LHA - ASRA Group***

We are currently considering whether we should as a region do something similar to the Birmingham Energy Savers model where they are procuring a partner. It was something we wanted to avoid initially, so that smaller contractors were given an opportunity to compete. However the Government delay in releasing the GD consultation means we don't yet understand whether this would even be possible due to strict accreditation and warranty requirements.

I suppose the problem to some extent is that we don't fully understand the nature of the work. Through EEM we can start to build up a picture of scale, but until we understand more about the nature of works which will be delivered in the long term, it is a big challenge to co-ordinate the long term procurement exercises. For now I expect we will focus on insulation and boilers, but both are subject to fairly rapidly changing technologies and installation processes, so the procurement has to be open enough to allow these whilst allowing certainty for suppliers and manufacturers to invest in the supply chain.

The Eracobuild is intended to help this a bit, by assessing what measures will work under the Green Deal. So now really is the time for any innovative solutions to be coming forward and to be tested. Unfortunately it won't pay for the actual measures, but if we can put some of them in with GD financing and test them in the Autumn, there is potential we can prove whether they work or not through monitoring as part of the project.

Roles I think we are lacking in at the moment include designers of low carbon building solutions, and real understanding of the practicalities within the building trade is generally quite low. If we can get designers coming up with solutions, manufacturers creating these and builders able to deliver effectively, we can start to give them some certainty over programming.

### ***Karl McGrory, Head of Change Partnerships***

I completely agree that now is the time for innovative solutions. There is seed funding about for organisations to prove they can make a real difference. One opportunity I see is that the environment related degree graduates would potentially love the opportunity to go back to school and get involved in installation before working their way up to lead future projects. Normally they are excluded on the basis of over qualification?

Sorry to be negative but the impact of the FIT reduction will be massive. I know personally a construction company that had £30 million of orders cancelled the

week the reduction was announced as the projects were no longer viable and that is going to mean job losses in this one firm.

***Mike Peverill, Climate Change Co-ordinator, Climate East Midlands***

Fair comment on the sudden drop in FiTS tariffs, but the tariff was due to drop down next April in any case.

***Karl McGrory, Head of Change Partnerships***

I know the FIT was due for phased reduction but the reflex action and threat of early December implementation is the problem, really undermining confidence in the sector and in any future measures that may come into play.

***Emily Braham, Business Development Manager, LHA - ASRA Group***

It's a great shame that the Government have not honoured the initial date as this really damages confidence in their commitment to Environmental schemes. Our projects have been affected and I know of others which have completely stopped. We may continue anyway, but it will be a difficult job to convince our investment committee, and we are only able to do so because we were self-funding, and EEM has procured so well that prices are low. The sad thing about it really from our perspective is that all social housing providers I speak to who were doing this and making any money off it, were going to reinvest that in more energy measures. Therefore kick starting the retrofit market/supporting the Green Deal without the FIT income, will be a much more difficult job.

***Richard Greenough, Principal Lecturer, Leicestershire County Council***

The Government has made a massive blunder with the timing and the size of the FiT cut, but in some respects there's wisdom here. It is surely right to force consumers to cut wasted energy by upgrading their thermal efficiency before adding PV. It is also right to recognise that people with roofs that face the wrong way are irritated to be subsidising the lucky ones through their energy bills (actually a very small increase) and finally that even after the cut, it will still make financial sense to invest in PV.

However, the damage to the industry amounts to economic vandalism and the whole thing should have been handled much more sensitively. Installers are now busier than ever, but they expect to be very quiet after 12th December. Not a good sign for a government that is meant to be helping small businesses to grow. As a personal anecdote - I have been trying to get installers to quote for a solar thermal installation. Almost nobody was interested, as they are scrambling to beat the deadline for PV installations. A student tells me that this kind of market distortion is exactly what happened in Germany every time their government announced a reduction in their FiT.

**Closing Comments**

***Mike Peverill, Climate Change Co-ordinator, Climate East Midlands***

*emda* published a Low Carbon Legacy document in April this year to capture some of the key activity, research, learning, and future potential for this area, to inform local government and others and help them to take it forward:  
[http://www.emda.org.uk/uploaddocuments/LowCarbon\\_legacydoc.pdf](http://www.emda.org.uk/uploaddocuments/LowCarbon_legacydoc.pdf)

A wide range of research related to this has also been transferred to Nottingham Trent University's Institutional Repository: <http://irep.ntu.ac.uk/R?RN=5565183>

So as our hour draws to a close, we appear to have concluded that make do and mend is possibly the way forwards in the short term, whilst the economy is in its current state. It's difficult for all sorts of reasons, particularly in the energy retrofit area where new technologies, uncertain national policies and a lack of awareness, skills and demand make progress challenging.

Please feel free to continue the discussion, but can I thank all of you for contributing to a lively, if sometimes rather difficult to follow, debate!

***Peter Williams, Policy Advisor, East Midlands Councils***

Thanks to Mike and the panel for this fascinating debate, I have learnt a lot this morning. I will try and summarise the debate over the next couple of days and repost it on this forum as well as EMC's website.

You are of course welcome to carry on adding to this discussion - I will check back with Mike over the next few days and respond to any further points. Thanks again and see you all at the next debate.

***Karl McGrory, Head of Change Partnerships***

Thanks for the lively debate and great information all.

Please feel free to contact me [karlmcgrory@changeagents.org.uk](mailto:karlmcgrory@changeagents.org.uk) to follow up. [www.changeagents.org.uk](http://www.changeagents.org.uk)

***Chris Ward-Brown***

..and thank you from me too.

I failed to introduce myself at the start of the debate. I am the ex Policy lead for *emda* for construction - and the national RDA lead too. I am now the Chairman of the National Refurbishment Centre which is a partnership between BRE and the EST supported by industry.

You can find more information here: [www.rethinkingrefurbishment.com](http://www.rethinkingrefurbishment.com).

One of the things we are really focused on is the evidence about the impact of refurbishment measures - in the run up to Green Deal and more generally. As I mentioned in the debate, the R&M sector of construction is historically (over a 25 year period) 38% in value of the whole of construction in the domestic and non domestic sectors. Our view and that of our industrial partners is that we can help the sector grow and improve by working more collaboratively.

We are making the evidence we are gathering - some of which is drawn from the Retrofit for the Future projects - available through our web portal which you can access for free from the website.

If you would like to contact me, please drop me a line at:

[CWB@rethinkingrefurbishment.com](mailto:CWB@rethinkingrefurbishment.com)

### **Contact**

For further information relating to this discussion or on the green economy in general please contact: [mike.peverill@emcouncils.gov.uk](mailto:mike.peverill@emcouncils.gov.uk)