



Title: Vacant Property Energy Switching - Robin Hood Energy

Report of: Interim Managing Director

Purpose of Report

1. To inform the Board on a new arrangement for energy switching for vacant properties following a council-led tender in 2018.

Background

2. Issues with gas and electric meters and supplies can cause significant delays in letting vacant properties.
3. In 2014/15 we began to use the services of an organisation called Energy Angels for vacant properties. Energy Angels would investigate and help resolve queries around previous energy suppliers and issues of debt on meters for individual properties. In return, new tenants were given the option of being referred to Energy Angels to use their energy comparison service.
4. This arrangement initially worked well, but Energy Angels gradually phased out price comparisons and instead started referring only to one energy provider who did not provide the most economical deals for tenants.
5. In 2017/18 officers from Gateshead Council's Energy Services Team advised that they would be preparing a tender for energy switching for council properties and asked for our input into a specification.
6. In September 2018 the council published a tender with two lots for an energy provider to provide:
 - private wire network management services (linked to the council's HEIGHTS district heating scheme to tower blocks)
 - energy vacant property management services
7. There was one bid received which met the requirements in the specification for both lots, from Robin Hood Energy.

Robin Hood Energy

8. Robin Hood Energy are the UK's first local authority-owned fully licensed gas and electricity supplier. They are wholly owned by Nottingham City Council, with a

political manifesto commitment to tackle fuel poverty. They are run on a not-for-profit basis and have partnerships in place with over 25 local authorities and housing associations. They claim that they do not disadvantage customers with pre-payment meters, and that their tariffs are consistently among the most competitive available.

9. Vacant properties will be switched to Robin Hood Energy and SMART meters will be swapped out within the void period. Energy will be available for use by the repair teams, and Robin Hood Energy will provide a credit of £15 per property.
10. In an enhancement to their standard offer to social landlords (see appendix 1), there will be no standing charge for energy across the whole void period (normally only waived for up to 30 days).
11. Tenants will be free to switch provider at any time if they prefer, but the default provider for new tenants will be Robin Hood Energy. Examples of Robin Hood Energy leaflets and information to customers are included in the appendices to this report.

Next steps

12. Discussions have been ongoing for some months about processes, health and safety, and compliance. A further training session with representatives from Robin Hood Energy and from the housing company is scheduled for 18 July 2019 and following this it is anticipated that the first energy switches for vacant properties will commence.

Link to Values

13. This report relates to the company values of being:
 - customer focused
 - open and honest
 - accountable

Impact on tenants

14. Tenants will benefit from receiving energy from a not-for-profit supplier. Some will also benefit in being rehoused sooner as delays due to meter and supply issues are reduced.

Risk Management Implications

15. The report relates to the new corporate risk on excessive levels of vacant properties and helps mitigate the risk by reducing delays due to energy supply issues.

Financial Implications

16. A credit of £15 per property will be received and will offset actual energy use on vacant properties whilst they are being repaired and made ready to let. There will be no standing charge incurred.
17. In 2018/19 expenditure of £17,233 was incurred on utility bills for vacant properties. Whilst not all of this would have been standing charge, there would be

significant potential savings on this total with the new arrangements. If around 2,000 properties are void at some point during the year then the savings could be up to £17,000 plus £15 credit x 2,000, which equals £47,000.

Equality and Diversity Implications

18. There are no direct implications

Value for Money Implications

19. The new arrangements will help reduce vacant property rent loss.

Health Implications

20. There are no direct implications.

Environmental Implications

21. Robin Hood Energy provide customers with advice on energy efficiency.

Consultation carried out

22. Officers were consulted on the specification for the council-led tender.

Recommendation

23. Board are asked if they are satisfied with the update provided on vacant property energy switching

1. Introduction

Established in September 2015, Robin Hood Energy is the UK's first local authority owned, fully licensed gas and electricity supplier, which has grown to supply thousands of meter points. We have developed a range of products and services for local authorities and social housing providers working to tackle fuel poverty in their communities. We have prioritised the needs of energy users on prepayment meters and sought to improve the quality of service received by both tenants and social housing Landlords.

We place our company values beyond profits and operate on a not-for-profit basis. We are a living wage employer with no private shareholders or director bonus schemes, which means we use any profit made to create affordable and competitive tariffs that benefit our energy customers.

To date we have installed thousands of smart meters and intend to continue with this pace for further roll out including installing the latest generation of smart meters (SMETS2).

2. Our fast and effective service

At Robin Hood Energy, we completely understand the need to turn around properties quickly and efficiently as possible. With years of experience in this area, we remove the typical hassles encountered by our competitors by relying on a proven and professional void service tailored to meet your needs. Unlike the BIG 6 Energy Suppliers, our customer centric approach puts customers at the heart of our business and thinking.

Our shared ethos to tackle fuel poverty coupled with years of sustained growth increases our ability to work with local authorities and Registered Social Landlords. In our quest to help eradicate fuel poverty across the country, we partner loads of social Landlords across the country to switch hundreds of void properties each week.

Our simple process can be implemented swiftly to bring financial benefits and time savings to both Landlords and tenants alike.



By working with us you will enjoy a host of benefits:

Landlord benefits

- Properties switched from day one of the void period.
- Standing charge waived for 30 days.
- Voids are managed through a portal, providing you access to real time updates and information.
- Traditional prepayment meters exchanged for smart meters.
- Free credit or commission payment per void.
- Voids billed on consolidated quarterly basis at our lowest rate.
- Feed-In-Tariffs licensee.
- Direct free phone number and email support.
- We support a range of tariffs and meter types across the UK.
- Smart meters bring an end to dealing with debt and meter resets.
- Efficient New Connections process gives you the ability to register new builds smoothly.

Tenant benefits

- Competitive tariffs from the day they move in.
- Smart meters to assist in managing energy usage.
- Great customer service.
- Smart Prepayment customers will not be disconnected if they run out of credit between 8pm and 9am.
- Traditional prepayment replaced with smart credit meters.
- Priority Service Register to assist vulnerable tenants.
- Warm Home Discount* given.

3. Our simple void switching process takes the hassle away for you

- Stage 1:** Meet your personal Account Manager
- Stage 2:** Notify us when 'notice to quit' is received
- Stage 3:** Bring supplies on for day one of the void period
- Stage 4:** Smart meter installation appointment arranged
- Stage 5:** Tell us when your property becomes occupied

*Terms and Conditions Apply visit: www.robinhoodenergy.co.uk

RobinHoodenergy

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Welcome to your new home!

The Robin Hood Energy team are proud to be your new energy supplier.

Unpacking and settling in to your new home is a massive job and to make sure you don't pay too much or too little for your energy we just need to have a quick chat to check your details.

Please call us free on **0800 030 4567** and we will make sure we have the correct name, contact information and energy details for you.



Yours faithfully,

A handwritten signature in black ink, appearing to read 'Jade Kirk'.

Jade Kirk
Customer Service Manager
RobinHoodenergy