

Next Generation case study: CREW – Enabling heat pump installations in London

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About CREW Energy

CREW Energy is a not-for-profit cooperative made up of south-west Londoners who care about making London a more resilient and sustainable community. CREW helps community groups and individuals in London – particularly in Wandsworth, Merton and Lambeth - access low-carbon solutions.

About this innovation project and its impact:

The objective was to develop a financially sustainable model for installing and maintaining heat pumps in public sector or community buildings as well as housing estates, with install costs funded through a community share offer. The intention was that revenue would be generated through Renewable Heat Incentive (RHI) payments as well as potentially flexibility payments through Demand Side Response services. It was also intended that support would be offered to private sector householders to facilitate the installation of heat pumps.

Through the project, heat pumps have been installed at the Devas community hub in south London. These have been partly funded through a community share offer raising £50,000. Buffer tanks have been installed as part of this with the potential to generate revenue from demand side services once

this is interacting properly with the Building Management System. (This has been hampered because the heat pump company ceased trading and it has taken time to track down the installing engineer.)

Home carbon audits are also being offered to private householders with almost 50 completed to-date, some of which have resulted in heat pump installations. CREW have partnered with another organisation which will carry out the accreditation of the installations.

The third project strand – heat pumps for housing estates – has stalled. The termination of the Renewable Heat Incentive plus the lack of funding for communal systems for private households makes it difficult to make projects stack up financially.

CREW is also involved in managing some Public Sector Decarbonisation Scheme (PSDS)-funded installations in schools, funded by a project management fee.

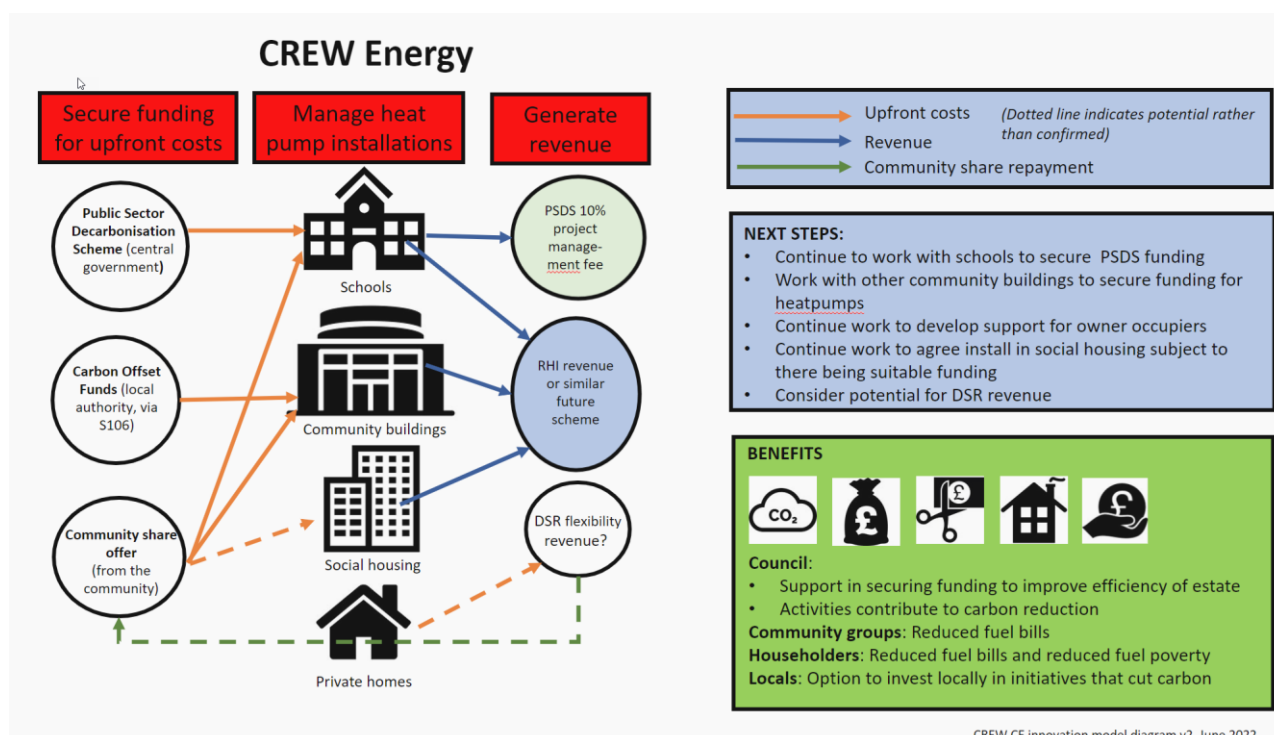


Figure 1 - CREW model for heatpump installation

Advice for other groups considering this approach:

- Engaging **councils** can be slow but there is a lot of scope to work with them on carbon reduction initiatives, including:
 - Supporting them in accessing Public Sector Decarbonisation Scheme for their schools.
 - Working with them to support local charities to access community funding raised through carbon offset payments made by developers, under London’s planning system.
- Working with **charities** can also be slow, with some having limited knowledge/capacity and therefore requiring a lot of handholding, but there is scope to support them in installing heat

pumps and other energy saving technology and to raise the installation costs through community share offers.

- There are challenges with installing heat pumps in **private homes**, particularly in London where the 1m boundary rule can make it challenging to site units in an unobtrusive position.

Key messages for policy makers

- A major barrier to decarbonising the heating on privately owned blocks of flats is the lack of funding for communal systems. The Boiler Upgrade Scheme grant is only available to individual householders. A communal system would be more cost effective, more efficient and less visually intrusive, yet there is no funding to support such a solution.

If you want to know more:

See the [Innovation Lab webinar](#) on the CREW project

The final report on the CREW project includes lots of detail on the insights gathered and challenges faced on this project. For the final reports for this and other Next Generation projects see: <https://www.next-generation.org.uk/resources>