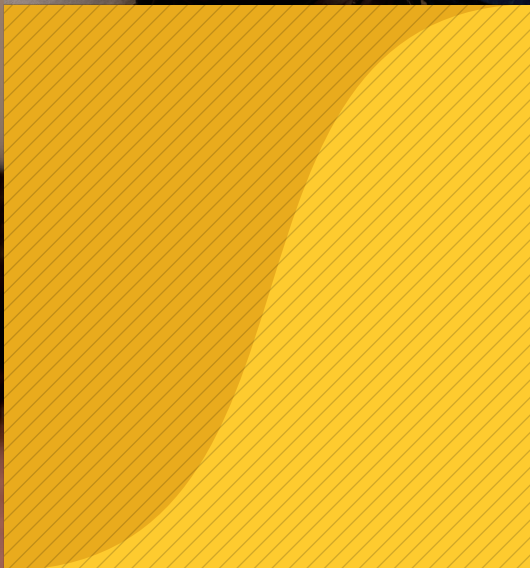




HOW TO SET UP A **ONE-STOP-SHOP** FOR INTEGRATED HOME ENERGY RENOVATION?

A step-by-step guide for local
authorities and other actors



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1

INTRODUCTION

About this guidebook

If you are part of an organisation that plans to launch a one-stop-shop, this guidebook is for you.

You will find **learnings from the project and recommendations** that will help you to kick start your project.

You will get answers to questions such as:

- ▶ What do we mean by 'one-stop-shop'?
- ▶ What different one-stop-shop business models have been identified and tested by the project partners? What are their (dis)advantages?
- ▶ How to design your own business model and business plan?
- ▶ What is the role of local and regional authorities in setting up a one-stop-shop? Can local one-stop-shops survive without public subsidies?
- ▶ The set-up: Where to start, what to expect, what to be careful about?

This guide is complemented by a series of **case studies from 11 European places**.

Each country and region is special. The starting points differ from one another. Therefore, each one-stop-shop is unique. INNOVATE experts describe their individual contexts, results, successes and mistakes.

The EU policy context

Ahead of the EU Renovation Wave initiative, an own-initiative report by the European Parliament's Committee on Industry, Research and Energy (April 2020)¹ reminds of the enormous potential that lies in buildings renovation. The report states that by renovating existing buildings, significant energy savings can be achieved. It also estimates that, through **integrated renovation programmes**, especially at local level, the EU's total energy consumption could be reduced by 26% and bring numerous co-benefits. In difficult times brought by the Covid-19 pandemic, one-stop-shops, which are guiding customers through the full renovation journey, are even more needed as their whole ambition is to help overcome uncertainties.

1. Report on maximising the energy efficiency potential of the EU building stock (2020/2070(INI), Committee on Industry, Research and Energy, Rapporteur: Ciarán Cuffe (April 2020) https://www.europarl.europa.eu/doceo/document/ITRE-PR-648631_EN.pdf

Extract from the EU Parliament's report on maximising the energy efficiency potential of the EU building stock (April 2020)

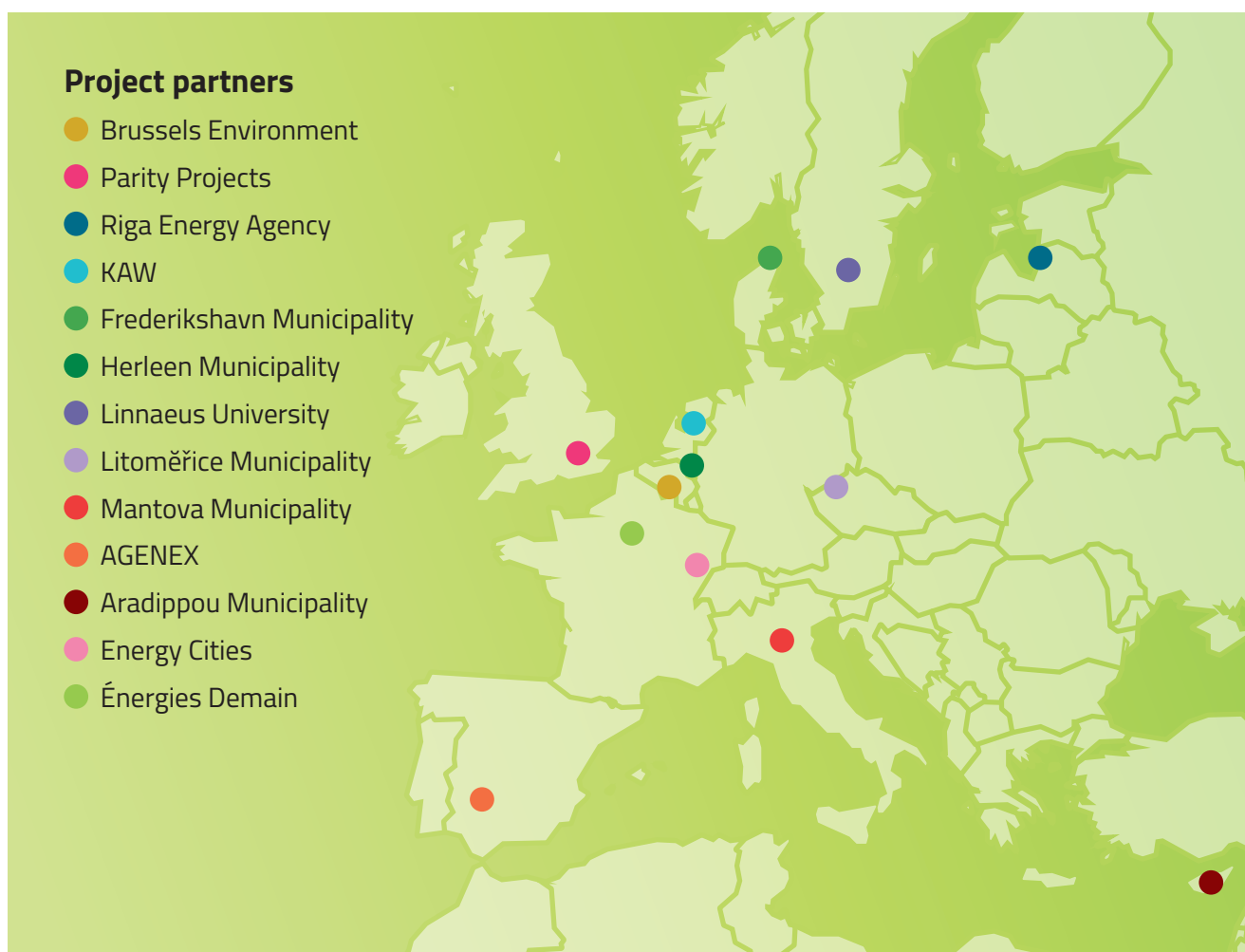
"The European Commission's **Renovation Wave** initiative is part of the broader European Green Deal and can be significantly strengthened by actions at national, and critically, **local level**. Energy efficient buildings benefit all citizens; especially those at risk of energy poverty.

For this to succeed, best practices such as **one-stop-shops** for information, advice and financing, and as places to discuss specific community needs **should be replicated in all Member States**. Capacity building for municipalities, and the active involvement of local actors such as energy communities, housing cooperatives, local industries, and financial actors have also proven successful.

To this end, the proposed platforms on renovations are certainly a useful tool to develop inclusive community based integrated renovation programmes that can be replicated, scaled up elsewhere, and help **create value chains at local and regional level**."

About the INNOVATE project

Between 2017 and 2020, a group of 13 organisations (municipalities, regions, energy agencies, private companies and installers' cooperatives) from 11 European areas have accepted a dare: to develop and roll out integrated energy retrofit packages for homeowners of single family houses and condominiums, offered conveniently in one location. In short, to set up a renovation one-stop-shop. They were able to do so thanks to the INNOVATE project which was funded by the European Horizon 2020 programme.



2

WHAT DO WE MEAN BY 'ONE-STOP-SHOP'?

A one-stop-shop is a virtual and/or physical place where homeowners can find all information and services they need to implement an ambitious global energy renovation project. In order to increase the renovation rate in one defined area, the one-stop-shop needs to cover the following services and propose them, ideally, 'under one roof':

► **Proactive engagement of homeowners:**

market segmentation, targeted communication and marketing tools are a key to reach out to the right groups at the right moment (e.g. young families, elderly people, low-income households, etc.) with the right message.

► **Energy renovation and financial plan:**

These tailor-made plans should aim at achieving deep renovation – implemented in one shot or planned step-by-step, depending on the financial means of each homeowner.

► **Coordination of the renovation process on behalf of the homeowner.**

► **Long-term and affordable financing** especially for low and middle income families, elderly people and other vulnerable groups who cannot access other financing means although the value of their energy savings is large enough to pay off.

► **Guaranteed results and post-work monitoring** including of the quality of works and, ideally, energy savings.



The full set of services proposed by a one-stop-shop

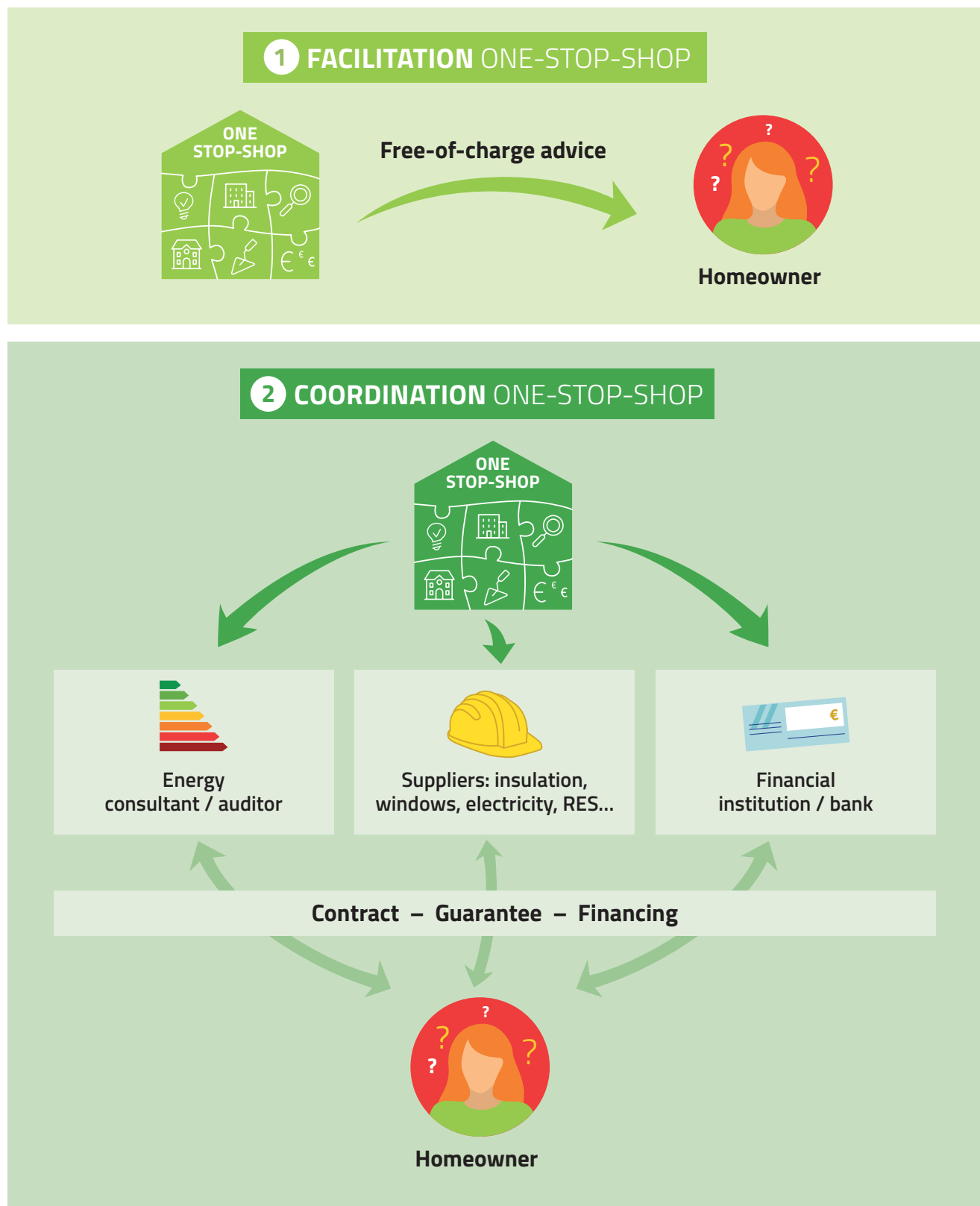
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ONE-STOP-SHOP BUSINESS MODELS: OVERVIEW

INNOVATE partners have identified four types of business models. **The main difference between these models is the responsibility the one-stop-shop bears for the result of the renovation works and for the overall customer journey.**

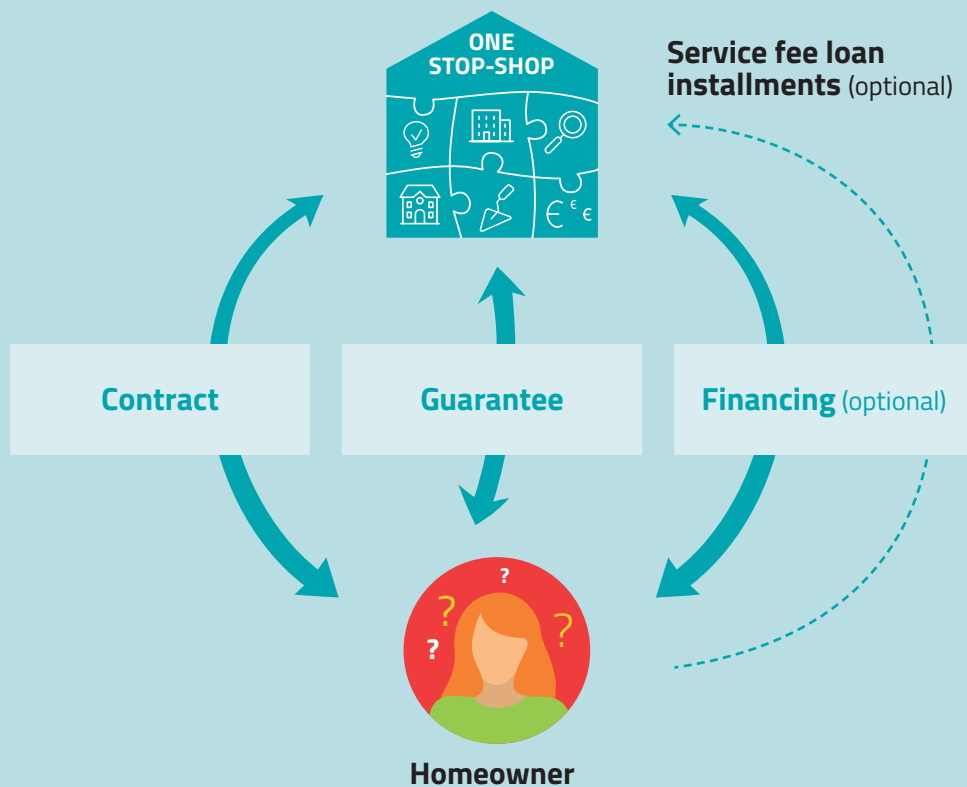
Business model	Roles & responsibilities	Practical example of what the one-stop-shop offers to homeowners
1 Facilitation model	<ul style="list-style-type: none"> • Raise awareness on energy renovation benefits • Provide general information on optimal renovation works • First advice at the 'orientation stage' 	It advises on how to renovate your house and can provide you with the list of suppliers.
2 Coordination model	<ul style="list-style-type: none"> • Coordinate existing market actors (suppliers) • Make sure all one-stop-shop services are offered to homeowners • No responsibility for the result of renovation works (only overlooking the whole process) • No responsibility for the overall customer journey (just the first part) 	It advises on how to renovate your house and will push suppliers to comply with their promises. Suppliers remain responsible for the final result.
3 All-inclusive model	<ul style="list-style-type: none"> • Offer a full renovation package to homeowners • Bear responsibility for the result of renovation works • Bear responsibility for the overall customer journey 	The one-stop-shop is a contractor that sells you the whole service package and is your main contact point in case something goes wrong with suppliers.
4 ESCO-type model	<ul style="list-style-type: none"> • Offer a full renovation package with guaranteed energy savings to homeowners • Bear responsibility for the result of renovation works • Bear responsibility for the overall customer journey 	The one-stop-shop sells you the renovation package and guarantees the energy savings for the contract duration. The one-stop-shop is paid through energy savings achieved.

The Coordination, All-inclusive and ESCO models may offer very similar service packages, however, only the ESCO model² guarantees energy savings and is paid through them. This extra service is one of the most expensive features though and therefore only suitable for big investments.



2. In this guidebook we do not elaborate on the ESCO model for private residential buildings as very few examples exist in the EU (and they only focus on condominiums). Moreover, except for AGENEX who plans to act as an ESCO in the future, none of the Innovate project partners tested it. If you are interested in exploring this model, we invite you to check the website of Horizon 2020 projects such as "Sunshine and Accelerate Sunshine" in Latvia: <https://cordis.europa.eu/project/id/754080>

3 ALL-INCLUSIVE ONE-STOP-SHOP



The mobile one-stop shop in Frederikshavn (Denmark)



Depending on the maturity of the market (that can be explored through a market gap analysis) and the availability of financial and human resources, the one-stop-shop can offer different types and levels of services to homeowners.

Below you can find a **checklist with the services** that a one-stop-shop is likely to provide. They are arranged from the lightest to the strongest support level. The level correlates with the level of resources that the one-stop-shop needs to deploy.

 **This checklist will help you identify the one-stop-shop model that fits best your ambition.**

CHECKLIST services offered by your one-stop-shop	Model 1	Model 2	Model 3	You
Marketing & communication				
Awareness-raising of the benefits resulting from energy retrofits	●	●	●	
Promotion of existing services offered by other stakeholders (local authority, suppliers, etc.)	●	●		
Proactive demand generation through marketing and communication measures for specific target groups (e.g. low income, specific city districts, young families, elderly persons, etc.) based on a previous market segmentation		●	●	
Promotion of the one-stop-shop services in a physical shop, demonstration site, virtual platform	●	●	●	
Communication through a network of one-stop-shop partners – local actors who are present at the 'life-changing moments' of homeowners: real estate agents and banks (when a new house is being purchased), insurance companies and public institutions dealing with young families/elderly people (considering house extension/adaptation), the authority issuing building permits, etc.		●	●	
Development of products adapted to consumers' concerns				
Customised home renovation products including house extension or adaptation to a specific life situation (e.g. flat adaptation for older / disabled person, new kitchen, maintenance needs, etc.)		●	●	
Standardised off-shelf ready-made products for a specific type of the housing stock (e.g. same type of houses in terms of age and construction techniques within the same neighbourhood)			●	
Independent technical assistance				
Recommend relevant energy saving measures, technologies and materials and provide the list of existing suppliers	●			
Preliminary building analysis / energy audit		●	●	
Development of an 'Energy renovation roadmap' aiming at deep renovation (NZEB standard)		●	●	
Supplier selection: Provide the list of suppliers that are certified by the one-stop-shop as 'quality suppliers'; develop standard templates and requirements for suppliers' quotes and contracts, check the quotes and assist in selecting suppliers. All-inclusive one-stop-shops can work with their own supplier network and will take the burden of selecting the supplier from the client		●	●	
Preliminary contract proposal		●	●	

Tailor-made financial advice				
General advice on existing financing options for which the homeowner is eligible (subsidies, tax credits, energy efficiency certificates, etc.)	●			
Assistance to homeowners in developing a tailor-made financing plan and in preparing all documents necessary for accessing financial instruments s/he is eligible for		●	●	
Preparation of a tailor-made financing plan and all documents necessary for accessing financing on behalf of homeowner			●	
Coordination of renovation works				
Assistance to the homeowner with the coordination of suppliers and renovation works		●		
Coordination of suppliers and renovation works on behalf of homeowner			●	
Long-term and affordable financing				
Provision of products negotiated with partner technology suppliers and service providers (e.g. lower prices or 0% interest loans)		●	●	
Set up of local incentive schemes if the one-stop-shop is supported by local and regional authorities: e.g. a guarantee fund to cover eventual payment defaults by homeowners, a local revolving fund or 'advance payment fund' for homeowners who cannot overcome high upfront investment costs, subsidies, tax incentives, etc.		●	●	
Provision of one-stop-shop's own financial product (loans) to homeowners who have difficulties to obtain a bank loan and to make energy renovation accessible to all homeowners. These loans can be paid back via monthly instalments, service fees or tax payments that, ideally, take into account achieved energy savings		●	●	
Guaranteed results & post-work monitoring				
Development of a certification scheme for 'quality' suppliers: create a local label / charter / selection procedure to select only suppliers that provide works at the expected quality level		●	●	
Training of local suppliers and enabling them to collectively coordinate renovation works		●	●	
Responsibility for the quality of works and achievement of estimated energy savings			●	
Post-work monitoring		●	●	

4

ONE-STOP-SHOP BUSINESS MODELS: ADVANTAGES AND DISADVANTAGES



You X Ventures Studio



Cowomen on Unsplash

1 Facilitation one-stop-shop

+ For homeowners	-
<ul style="list-style-type: none"> • Free of charge general advice (paid from public funds). • Physical or online energy desk. • Interesting for homeowners who only seek first information and advice (orientation stage) or who intend to do renovation works on their own ("DIY type of person") 	<ul style="list-style-type: none"> • A potentially long list of suppliers with limited recommendation or guarantee of a good quality service. • Homeowners need to contact and meet different suppliers in different places (bank, suppliers, etc.). • Homeowners have to sign and manage contracts with different suppliers on their own. • Homeowners have to do all the paperwork to access financing. • Homeowners have to coordinate the renovation works. • Homeowners manage the monitoring and follow-up in case the works are not done properly.
+ For the one-stop-shop	-
<ul style="list-style-type: none"> • Easier to set up and less costly than the other two models. • Raises awareness of homeowners and different market actors about energy and climate issues, the benefits of energy renovation, etc. • If the one-stop-shop is set up by a public authority, it can be considered as a public service for homeowners and a contribution to the achievement of local climate goals. 	<ul style="list-style-type: none"> • Rather difficult to reach ambitious energy and climate objectives: this type of service already exists at local, regional or national level, but experience has shown that it has not led to massive and ambitious energy renovation of private residential buildings. • The one-stop-shop does not provide its own financial product so it is difficult to reach (very) low-income households who have no access to financing.

2 Coordination one-stop-shop



For homeowners



- Virtual and/or physical one-stop-shop where homeowners can get information and direct access to all services.
- Interesting for homeowners who seek limited technical and financial support for their renovation project.
- Higher guarantee of a good quality service (certification scheme).
- Assistance with the coordination of renovation works (if provided).
- Access to attractive financing offer (via one-stop-shop partners or own financial product)

- Homeowners have to sign and manage contracts with different suppliers who are individually responsible for works and services.
- Homeowners have to get in touch with a bank/ financial institution and apply for a loan or another financial product.
- Homeowners might not have a guarantee of quality and energy savings; they deal with the follow-up of the works



For the one-stop-shop



- The possibility to establish relations and offer new market opportunities to existing market actors.
- More flexible and less risky than the all-inclusive model, especially for local/regional authorities.
- A one-stop-shop that is set up by a local authority, is usually recognised by citizens and local stakeholders as a trustworthy and neutral partner.

- Heterogeneous offer and actors difficult to put 'under one roof'.
- Time-consuming coordination of stakeholders.
- High political ambition and consensus needed to set up local incentive schemes with public funds.
- Difficult to reach (very) low income households in case the one-stop-shop does not offer its own financial product to this target group.

Examples from the ground

Aradippou Municipality (Cyprus), **Brussels Capital Region** (Belgium),
Frederikshavn Municipality (Denmark), **Heerlen Municipality** (The Netherlands)
Mantova Municipality (Italy), **Litoměřice Municipality** (Czech Republic)
Riga Energy Agency (Latvia)





3 All-inclusive one-stop-shop

+ For homeowners	-
<ul style="list-style-type: none"> • The one-stop-shop is a unique interface and the responsible body vis-à-vis the homeowner. • Interesting for homeowners who seek a project manager (coordinator) for the whole renovation project. • Homeowners sign a contract with one single legal person (one-stop-shop) – although in some cases they also sign contracts directly with suppliers. • Homeowners, including with (very) low income, can choose the one-stop-shop's own financing product or find their own way to finance the works. • One-stop-shop deals with suppliers and contractors. • One-stop-shop guarantees the quality of renovation works and eventually energy savings. • One-stop-shop ensures the monitoring and follow-up in case the suppliers do not carry out works properly. 	<ul style="list-style-type: none"> • The service is not free of charge. • If the one-stop-shop does not offer its own financing, homeowners need to get it from other sources. • On the one hand, there is a risk that a commercial bank refuses to offer an attractive loan to some homeowners. On the other hand, quality and energy savings guarantees provided by the one-stop-shop will reassure a bank.
+ For the one-stop-shop	-
<ul style="list-style-type: none"> • Unique and clear mission of the one-stop-shop (KAW: "our head is on the block to produce results"). • Complete control over the process and thereby over the customer experience. • Better leverage effect on actors, economies of scale, access to attractive loans thanks to bigger investment volumes and project pooling. • One-stop-shop develops its own financial product, it can facilitate access to finance for (very) low income households. 	<ul style="list-style-type: none"> • Cost and human resources intensive. • Time-consuming creation of a new legal structure (public, public-private or private). • If own financing offer is developed, the one-stop-shop must comply with banking regulations and assure its re-financing. Change in national legislation might be necessary (example: France³). • The service package directly competes with other market players; thus the EU state aid regulation applies. The one-stop-shop has to charge fees for its services, they cannot be offered for free.
Examples from the ground	
<p>KAW (The Netherlands), Parity Projects (The United Kingdom) Linnaeus University / Kronoberg County (Sweden), Extremadura Region Energy Agency – AGENEX (Spain)</p>	

3. Article L381-1, Code de la Construction et de l'habitation : <https://www.legifrance.gouv.fr/affichCodeArticle.do?idArticle=LEGIARTI000028783131&cidTexte=LEGITEXT000006074096&dateTexte=20140327>

5

ROLE OF LOCAL AND REGIONAL AUTHORITIES IN SETTING UP ONE-STOP-SHOPS

What is the status quo?

The INNOVATE partners mapped the state of play of the renovation market. The status quo in 2020 can be summarised as follows:

- In 2020, most of the local and regional authorities in the EU do not know well the local market and/or still observe that **the demand of homeowners for deep renovation works is very low. The market is not yet mature.** However, when it comes to single energy renovation measures, in particular installation of solar panels or insulation of the building envelope, the market can be considered as mature.
- **The offer of integrated home energy renovation remains very rare.** If such an offer exists, it depends (at least partly) on public subsidies. They are crucial, especially in the start-up phase. Practical experiences (e.g. KAW in the Netherlands or Parity Projects in the UK) show that a one-stop-shop that decides to offer such a renovation package needs at least 5 to 8 years to close the existing market gaps and make its business model financially viable and self-sufficient.

How can local and regional authorities support the market development?

If local and regional authorities take the climate urgency seriously, they have to stimulate the renovation market and in particular the development of one-stop-shops. They can do it through a combination of measures:

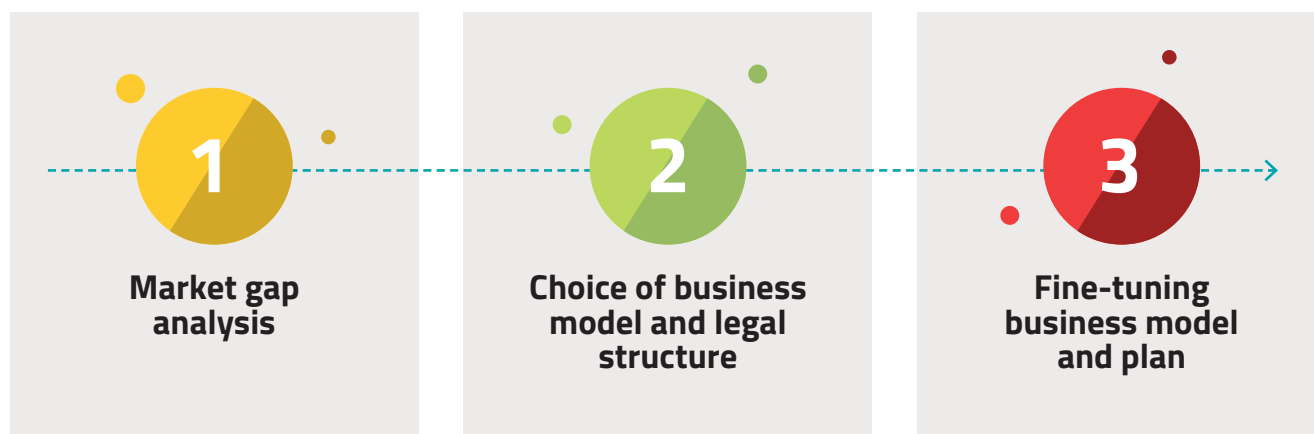
- **Awareness-raising:** Local authorities play a key role in the pre-investment phase. They raise awareness of homeowners about the benefits of energy renovation, provide them with the initial advice and help them to move on from the planning to the implementation stage. They consider energy efficiency as a **public service** as this preparatory phase is time-consuming and with uncertain results, thus not profitable enough for private companies. This is particularly relevant in the immature market. National schemes with a strong brand and references to the state requirements and regulations could reinforce local initiatives and act as an entry point for homeowners.
- **Coordination and training:** Local authorities are best placed to coordinate, build capacities and provide support (e.g. through a market research) to local market actors. That way, the latter can organise themselves and provide high-quality renovation works to homeowners.

● **Policy and funding:** Local authorities can enforce strong and stable local policy and provide funding measures that foster global and deep renovation, the development of one-stop-shop services and specific support for vulnerable and low-income homeowners. They have a role to play when it comes to lobbying for effective and complementary policy measures at all levels – local, regional, national and European.



In the framework of the INNOVATE project, partners have developed a very detailed set of **policy recommendations** for public authorities that wish to support integrated energy renovation programmes and, in particular, local and regional one-stop-shops. [We strongly recommend you to consult them here.](#)

3 steps to develop a business model for your one-stop-shop



Step **1** Carry out a market gap analysis for your local area

The very first step is to carry out a detailed analysis to understand the market in your area and its gaps. This analysis should give you answers to questions like:

- ▶ What kind of residential buildings do I have on my territory (type, age, necessity to renovate, energy saving potential, etc.)?
- ▶ What type of homeowners and tenants live in these buildings (low-medium-high income profile)?
- ▶ What are their home-improvement needs?
- ▶ What market actors are active in your area (suppliers, one-stop-shops, type of enterprises and their working culture)?

If the market is mature enough, meaning that citizens are keen to renovate and the private companies are present and ready to offer a one-stop-shop service (which is rather unlikely), you should just support and promote in a fair and inclusive way the existing private actors' activities. However, if the market is immature and fragmented, you may decide **to set up your own one-stop-shop** that will stimulate the market and motivate private companies to enter it.

Step 2 Choose your business model and legal structure

Choose the business model and a legal structure that matches best with your local context, the maturity of the market, your ambition as well as available financial and human resources. In general, the more mature the market, the less intervention is needed from the public sector as the private sector is ready to get involved.

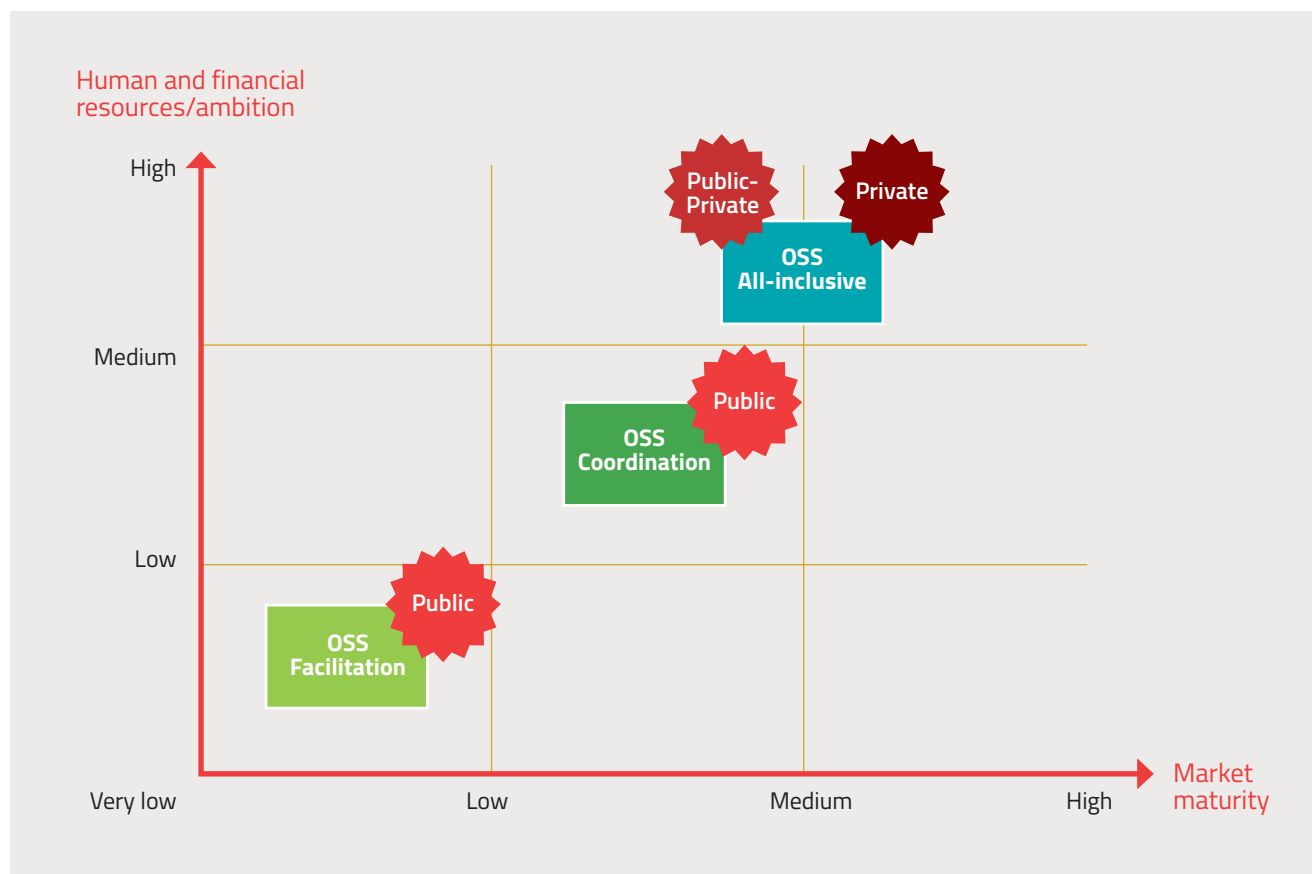
As the markets are immature, local authorities will situate their intervention between the implementation of the **Facilitation model and the Coordination model**. Without public subsidies, the private sector will hardly get involved in these models. They are also relevant in cases where the local authority:

- ▶ does not have any experience in providing one-stop-shop services.
- ▶ has limited political support, financial and human resources.
- ▶ does not want to intervene in the market and be in competition with the private sector. Instead, it wants to build on existing stakeholders and services.

Starting with one of these 'lighter' models will also allow the local authority to start slowly. It will learn more about its market, test the one-stop-shop services, prove they are needed, and finally gain stronger political support and resources for its further development (e.g. towards an All-inclusive model). This can be an iterative process.

Think big while taking small steps!

Local authorities whose market starts to be mature, which have ambitious energy and climate targets, strong political support and corresponding human and financial resources at their disposal, can directly enter the market via an **All-inclusive model**.



When it comes to choosing **the legal status**, local authorities have several options at hand.

Before you create a brand new entity, double check whether one of the existing structures could take up this mission. If you opt for an All-inclusive model you will very likely need assistance from external legal experts to help you define the one-stop-shop legal status, as the EU State Aid rules will apply.

Find out which legal status will best suit your business. You may even have further alternatives, depending on your national legal framework.

Legal status	Examples from the ground	(Dis)advantages for local authorities
In-house one-stop-shop integrated in the city administration	The Coordination models set up by the municipalities of Frederikshavn, Litoměřice, Mantova, Aradippou, the City and Metropole of Lille in France, etc.	<ul style="list-style-type: none"> + Political support from the municipal council and visible political decision + Direct control + More attractive bank loans for the set-up of the one-stop-shop - Less agile organisation - Difficult to dedicate staff uniquely to one-stop-shop activities (other missions in parallel) - Dependence on the annual municipal budget negotiations - Key skills might be missing (marketing, sales, technical, finance etc.) and new staff need to be hired - Publicly less visible than creating a new organisation (municipal company, public-private company)
Municipal company local or regional (energy) agency or another public structure set up by local authorities and their groupings	'Public service companies for energy efficiency' set up by Haut de France Region (Pass Picardie Rénovation ⁴), Local energy agency of Grand Lyon ⁵ , Extremadura Region Energy Agency (AGENEX), Heerlen one-stop-shop	<ul style="list-style-type: none"> + More agile structure (independent from the municipal administration) + Quicker to launch (no need to reach the agreement of different shareholders as in the case of a public-private company) + Independent budget + Visible political decision - No direct control
Public-private company	'Sociétés d'économie mixte' (SEM) set up by Grand Est Region (Oktave ⁶), Ile de France Region (Ile de France Énergies ⁷) or Nouvelle Aquitaine Region (Artée ⁸) in France	<ul style="list-style-type: none"> + Private financial & human resources/independent budget + Lower risk for the local authority as the resources are shared with the private sector + Visible political decision - Set up is time and resources consuming - More challenging governance - Has to reach a financial balance
Private company (or their consortia), eventually selected by local/regional authorities via public procurement, a call for expression of interest or delegated via a concession contract	Parity Projects in the UK, KAW in The Netherlands, Klimatfastigheter Småland in Sweden	<ul style="list-style-type: none"> + Private financial & human resources + Lower risk for the local authority as the resources are shared with the private sector + More agile organisation - No direct control - You "bet your money on one horse" that can be risky - Less stability over time, stop-and-go effect imposed by the local authority

4. www.pass-renovation.picardie.fr

5. www.alec-lyon.org

6. www.oktave.fr

7. www.iledefranceenergies.fr

8. www.artee.fr



Get to know the legal requirements when the one-stop-shop is fully or partially financed by public funding

■ **Free of charge information and advice at orientation stage** including independent advice on home energy renovation including recommendation of measures, the list of existing suppliers and financing options.

❌ **EU state aid rules do not apply.**

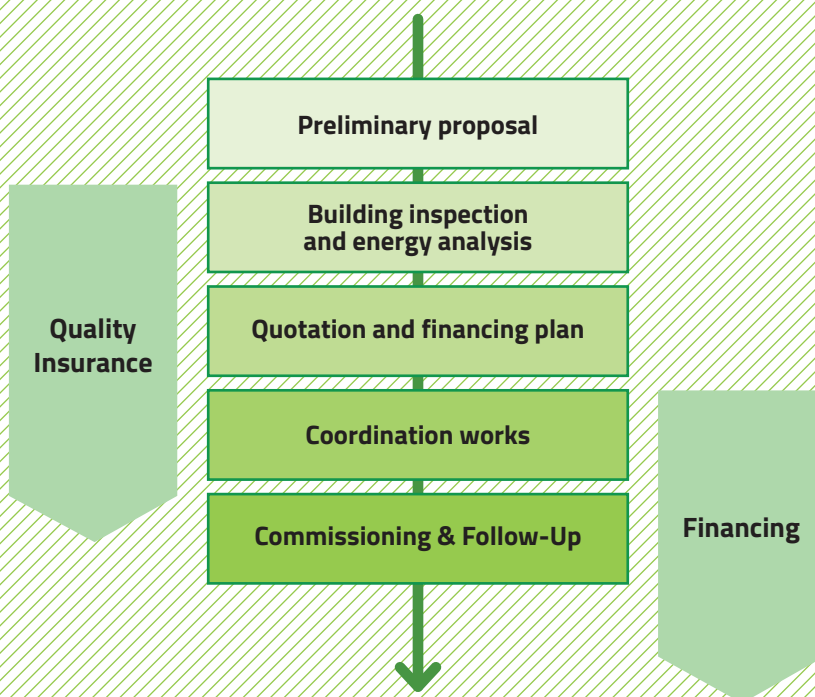
■ **Market-based services at accompaniment stage:** a service provider that recommends specific suppliers or financing institutions and develops a preliminary renovation proposal and financial plan, carries out building inspection and energy analysis, coordinates the works and ensures commissioning and follow up, is in direct competition with the market actors and has to charge a fee to homeowners.

✅ **EU state aid rules do apply.**

(Free of charge) advice at orientation stage

Marketing

(Market-based) services at «accompaniments stage»



Step 3 How to work out the details of your business model and plan?

The devil is in the detail and there are many details when it comes to the one-stop-shop business model and the business plan. We cannot specify them all in this guidebook. However, you will find below at least a couple of the most important tips, tricks and questions that you should ask yourself before you start.

For the rest, feel free to check the case studies and get in touch with the project partners if you would like to know more.

In order to develop a viable business model and business plan, it is useful to start with the common business model canvas:



CUSTOMER SEGMENTS WHO WILL BE YOUR CLIENTS?

Which market segment are you addressing? Who will be the beneficiaries of the model?

● **Single Family Houses (SFH) vs Condominiums:** the project complexity, legal framework and the time you will spend with clients are not the same. Neither are the objectives of homeowners.

■ **Example:** the homeowners of SFH want the one-stop-shop to accompany them through the whole customer journey, esp. in case of problems or conflicts with suppliers; they want to achieve energy savings and need access to adapted financing products. Condominiums face the challenge of multi-stakeholder decision-making and project management, regulatory obligations and cost control.

● **Deep renovation vs single measures:** these are different markets. Should your revenues depend on the fees charged to clients as a % of total renovation costs, your one-stop-shop may face difficulties if the clients mostly opt for single measures.

● **Very low to low – middle – high income homeowners:** your approach, key messages and the level of support (especially access to a long-term and affordable financing) should be targeted to each group.

● **Life-changing moments:** seize the opportunity when people are more open to energy renovation: home acquisition, extension or adaptation (young families, elderly people), mandatory maintenance & renovation, etc.

Bonus tips

➤ It could be a good idea to learn on simpler segments such as SFH before moving to condominiums. If your one-stop-shop is a private company and depends mainly on fees, you may focus on SFH and higher income clients who can afford deep renovation.

➤ Carry out a deeper market research of each segment, organise debates and surveys to understand better their needs and challenges, adapt your services before you launch the one-stop-shop.



ONE-STOP-SHOP KEY ACTIVITIES

Specify what key activities the one-stop-shop will carry out to reach specific market segments.

See the checklist on page 12-13.



VALUE PROPOSITIONS

What benefits do you offer to the selected market segments?

Why will customers use the service? How are these benefits different from other offers available on the market?



Examples:

■ 'Pass Rénovation' in Haut-de-France Region, France: A one-stop-shop with focus on financial support

- It covers the full cost of the renovation works and pays directly to suppliers
- It collects subsidies on behalf of homeowners (SFH and condominiums)
- Homeowners start to pay back only once the works are finished (over 15-25 years) at a reasonable interest rate (2.5%). There is no penalty in case of early repayment.

■ Parity Projects / Retrofit Works: A one-stop-shop with focus on technical support

- Advice through a whole house plan – it identifies the best measures for the homeowner and includes a long-term renovation plan
 - Quotes are collected by Retrofit Works through its membership of checked installers. They arrange and chase quotes.
 - Support comes from a dedicated Retrofit Coordinator who manages the project from initial advice to signoff

■ KAW / Reimarkt: Product-market-combinations: standardised products marketed at different segments



COST STRUCTURE

What are the most important costs (fixed and variable)? Which key activities and resources are the most expensive?

- **Fixed costs:** admin and management, communication and marketing, product development, market analysis, staff training, physical shop and office costs, IT costs, other.

Bonus tips

- > You may foresee different fixed costs in the start-up phase and in the 'business as usual' running phase.

- **Variable costs:** proportional to the work load and time spent with clients.

> Variable costs grow with the number of clients and their complexity (e.g. a SFH is easier and faster to deal with than a condominium)!

Bonus tips

> The conversion rate and duration of the customer journey are two key indicators that will affect the costs of your one-stop-shop. Experience shows that in average, the conversion rate is between 0.5-10% and the journey duration of at least 11 months.

> The one-stop-shop should find a way to reduce its variable costs. This can, for example, be done by reducing the time spent with clients in the first phases of the customer journey. Thanks to an online advice, planning tools and quotes, advisors can dedicate more time to clients who already decided to renovate. For the one-stop-shop to be viable over time fixed costs should grow slowly and variable costs faster (more and more clients who renovate).



REVENUE STREAMS

*Are the clients going to pay for the services?
Are the suppliers going to pay for the services?
If yes, which ones, how much and how?
What other revenues can you expect (from
subsidies, tax credits, energy efficiency
obligation schemes, etc.)?*

- **Fixed revenues:** subsidies
- **Variable revenues:**
 - Fees charged to clients: a fixed or variable (e.g. depending on number of hours spent) advisory fee, a fee calculated as a % of total cost of the renovation (example: Picardie Pass Rénovation, KAW/Reimarkt)
 - Fees charged to suppliers (example: Parity Projects/Retrofit Works)
 - Economies of scale negotiated with suppliers
 - Energy Efficiency Certificates (example: French Regional one-stop-shops)
 - Bank loans (example: 'Pass Rénovation' in Haut-de-France Region : loans from Caisse des Dépôts and the European Investment Bank)

Bonus tips

➤ If subsidies are only available for a start-up phase, make sure you think about it in your business plan.



KEY PARTNERS

Who are the key partners of your one-stop-shop and how will they contribute?

- **Local and regional authorities:** promotion of the one-stop-shop, favourable policy measures, funding
- **Professional organisations (construction companies, architects, other suppliers):** dialogue and training to reach volumes and quality works
- **Real estate agencies:** promotion of the one-stop-shop
- **Banks, financial agents:** promotion of the one-stop-shop, dedicated financial products
- **Insurance companies:** insurance for the one-stop-shop/suppliers guaranteeing the quality of renovation works, products (in the future: energy savings achieved)
- **Local charity, social workers, medical centres:** identification and communication with vulnerable homeowners
- **Other partners** (e.g. the post office, media): promotion of the one-stop shop



KEY RESOURCES

What key resources (physical, human, financial, intellectual) does your one-stop-shop require?

- IT support tool: one-stop-shop back office to manage contacts, leads, offers, deals, etc. – customer relationships management
- Data related to buildings and homeowners
- Website and online tool: first advice and marketing, a tool for initial planning of the renovation project with cost estimation
- Office, shop, demonstration space
- Advisors, sales and communication experts, marketers, product developers, retrofit coordinators, project managers, IT developers, etc.
- Start-up subsidies...



CUSTOMER RELATIONSHIP & CHANNELS

What type of relationship will you establish with different market segments? What channels will you use to reach your customers, in terms of communication and sales? Which ones work best? Which ones are the most/least cost-efficient?

- One-to-one meetings with targeted clients
- Information sessions
- Uniquely virtual relationship (phone, online) /physical one-stop-shop
- Communication via website, newsletter, social media, Google advertising/analysis, banners, blog posts, neighbourhood events, etc.
- Key partners' channels incl. advertising in local media
- Pop-up stores (renovated houses open for visiting neighbours)
- Other

■ Example: 'Pass Rénovation': channels used to reach homeowners

- 35% of contacts come from internet
- 20% word of mouth
- 15% press
- 10% local press
- 9% national energy agency (ADEME) information desks
- 3-4% door-to-door by trained postmen, fairs & exhibitions
- 1-2% public meetings



Reimarkt pop-up store

Inspiring experiences from INNOVATE partners

YOUR BUSINESS PLAN

Tips from David Shewan (Parity Projects)

The main point is that **you need a shape for your business** – the business model canvas – but you also need the accounts to stack up. You do this by costing the various parts of the business activities against the likely income. The **best way of doing this is in a spreadsheet** where you can vary things like the conversion rate.

When we did this, we found that there were two big things where relatively small variations could completely make or break the business model:

1. The funnel of death

A lot of the costs are up front, before the client commits. This means that if many clients drop out before the renovation works start then the cost per job rises radically. There are various answers to this:

- Take a non-returnable deposit, perhaps as payment for initial assessment. This can come off the cost of the works.
- Automate the early stages to reduce timewasters.

2. Size of job

There is a certain amount of admin to arrange a job. Our model has a percentage fee from the final payment of the job. We found that:

- The income from small jobs is lower than the admin cost unless we change our process and significantly reduce the admin for small jobs.
- 1000 small jobs bring in as much income as 10 big jobs. We'd prefer the 10 big jobs as they are much easier to manage.

CONVERSION RATE AND DURATION OF THE CUSTOMER JOURNEY

Example from KAW/Reimarkt

Every step of the customer journey takes a certain time and at every step, some clients drop out off the process. Experience shows that in average, the conversion rate is between 0.5-10% and the journey duration of at least 11 months.

Conversion and duration of customer journey	Conversion		Duration	
	Step	Total	Step	Total
	%	%	Month	Month
Approached in target group				
Contacts: got in touch with Reimarkt	10	10	1	1
Leads: proactive process support	25	2.5	2	3
Offers: price proposal asked	60	1.5	2	5
Deals: price proposal accepted	25	0.38	3	8
Ambassadors: agree to tell the story	33	0.12	3	11

ONE-STOP-SHOP COST STRUCTURE

Example from KAW/Reimarkt

Fixed costs	Startup	Running
	€/year	€/year
Communication - Marketing	19,000	24,000
Product development	60,000	40,000
Market analysis	10,000	-
Staff training	14,000	2,000
Shop and office costs	-	14,000
IT costs	14,000	3,000
Partners fees	-	-
Other	3,000	3,000
TOTAL	120,000	86,000

Variable costs	Cost	Medium			
	Average	Building		Apartment	
	€/hour	Hours	€	Hours	€
Approached in target group	40	0	-	0	-
Contacts: got in touch with Reimarkt	55	1	55	0	-
Leads: proactive process support	60	5	300	0.5	30
Offers: price proposal asked	60	5	300	1	60
Deals: price proposal accepted	60	0	-	0	-
Execution and coordination	60	6	360	0	-
Evaluation and aftersales	40	6	240	0.5	20
Ambassadors: agree to tell the story	40	0	-	0	-

BUSINESS PLAN

Example from KAW/Reimarkt

		Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Total apartments renovated	#	-	118	236	514	1,029	1,029
Total capacity need	Hours	-	1,468	2,936	6,554	13,107	13,107
Total cost variable	€	-	86,306	172,612	385,134	770,268	770,268
Total cost fixed	€	120,000	86,000	86,000	86,000	86,000	86,000
Total cost	€	120,000	172,306	258,612	471,134	856,268	856,268
Total revenues variable	€	-	47,946	95,893	215,357	430,714	430,714
Total revenues fixed	€	300,000		-	-	-	-
Total revenues	€	300,000	47,946	95,893	215,357	430,714	430,714
Business result	€	180,000	-124,360	-162,719	-255,777	-425,554	-425,554
Business result cumulative	€	180,000	55,640	107,079	-361,856	-788,409	-1,213,963

Example from Pass Rénovation

Charges	Hypothesis (for 2,000 SFH projects – 3y)	Done 2014-2018 (≈1,700 projects SFH + MFH)
Works	56.9 M€	38 M€ (25 M€ already engaged)
Service activity (internal staff, renovation technicians, operating costs...)	9 M€	8.5 M€

Resources	Hypothesis (for 2,000 SFH projects)	Done 2014-2018 (≈1,700 projects SFH + MFH)
Regional council Initial provision	8 M€	8 M€
Refinancing loan	47 M€ (EIB and CDC)	35.5 M€ (18 M€)
PSEE service	3.4 M€ 1,550 €/SFH project)	1.5 M€ (1,550 €/SFH project & 750 €/app.)
Subsidies (ELEAN, ERDF/CPER, other projects)	3.3 M€	3.8 M€
Energy savings certificates	4.2 M€	2.3 M€

Debt owned by households	Equity
	Refinancing loan of EIB
Working capital requirements	



**15% loans to homeowners +
working capital requirements**

6

15 RECOMMENDATIONS FOR NEWCOMERS

INNOVATE partners tell you what really matters when starting your one-stop-shop project.

1

Be aware that it might take a lot of time before you see the first results of your one-stop-shop.

"Attracting the interest of homeowners continues to be the biggest barrier. Although the one-stop-shop is very advantageous for homeowners, they are very careful to accept its offers. Our experience shows that, after the launch of the one-stop-shop, it may take up to two years before homeowners become interested in renovating their homes."

Frederikshavn

"It may take at least two to three years for the one-stop-shop to reach its breakeven point; hence, the challenge is to keep moving during this period. The one-stop-shop needs assurance and support from the partner organisations to sustain in the market."

Linnaeus University

"Consider the time that different stakeholders, especially public administrations, require to take decisions and implement certain measures. Different stakeholders have different time constraints."

AGENEX

"The downside of our one-stop-shop development process is the time it took to work out a concept and to make the hierarchy approve it. Also, the complexity of the system of players and stakeholders in Brussels does not allow an easy set-up of a new service or new products; we have to navigate between the existing schemes and coordinate with internal and external services."

Brussels Capital Region



2 Think big, start small: prove that your concept works and scale it up.

"In the beginning, when setting up the one-stop-shop, the biggest milestones were opening the first shop, helping the first customers and creating the first products together with contractors and suppliers. One of the first mistakes was to establish the shop before the products. However, Reimarkt gained valuable experience from these milestones for finding a viable formula, without any precedents. After our first physical shop, the second biggest mistake of Reimarkt was to upscale to five shops at once. Looking back this was too soon as we did not have a viable process or strategy at that moment, nor was the process scalable. On the upside, this made Reimarkt into a well-known brand in the Netherlands. The overall biggest challenges for Reimarkt were:

- *changing the mind-set of contractors and suppliers,*
- *making the process viable and scalable,*
- *move along with the highly dynamic political and social context of the energy transition."*

KAW



3 Take time for your local stakeholders and homeowners.

"Do not to be afraid of 'losing time' with early consultations and long discussions with your target groups. Even though they might seem time-consuming, these meetings are very helpful for adapting your actions to reality."

Brussels Environment and Litoměřice

4 Consider the geographical location, size and attractiveness of your territory.

"In large cities with strong population growth, the value of residential real estate is increasing month by month, therefore the motivation for home renovations is much greater than municipalities like ours. As population is declining we have more empty homes with negative housing values."

Frederikshavn

"If you opt for the 'facilitation model', you can provide the services on a smaller territory with local focus. However, it is more efficient to join forces and create regional or national one-stop-shop networks to mutualise their resources (online tools, communication materials, etc.)."

Énergies Demain

"The so called 'sales funnel' says clearly: the more people you reach, the higher your chances to increase the conversion rate. You have to estimate your costs and revenues as accurately as possible."

KAW

"Smaller cities might completely lack local suppliers. However, it is important to first evaluate the renovation potential and only then think of available suppliers."

Riga Energy Agency

Bonus info

In 2017, the French association of notaries carried out a study on green value of housing⁹. The results show that houses with A or B energy label are sold on average 6% to 14% more expensive than houses with D label while apartments are sold 6% to 22% more expensive. The situation is also very dependent on the real-estate-market. Where the demand for houses and prices are rather low, energy efficient houses are not more expensive, but are easier to sell. While where the demand for houses is higher, sellers can increase the price of more efficient buildings. However, where the demand is extremely strong, like for example in Paris, people are ready to buy «anything», so the price is very high although the energy performance is very bad.

5 Local suppliers might not be able to meet your quality criteria.

“The service area of the one-stop-shop is defined even more by the presence of qualified suppliers than by homeowners’ interest in energy renovation. Everything starts with the quality level KAW is able to ensure. We started to work with five local suppliers but ended up working with bigger companies at national level that were able to meet our quality criteria.”

KAW

6 Offer innovative services to your citizens.

“We extended the existing municipal registry of the housing stock and included data on energy and CO₂ savings resulting from home renovations and clean energy produced from photovoltaics. Thanks to the registry, the city is able to monitor the citizens’ progress on the Near Zero Energy Building Roadmap developed for each registered house. The municipality is now developing an innovative financial reward mechanism for citizens who implement energy efficiency and renewable energy measures – a municipal credit card that contains a monetary equivalent of achieved CO₂ savings.”

Aradippou

7 An online platform is a MUST to increase the one-stop-shop efficiency and conversion rates.

“An online portal is the key for reducing initial inquiries that our advisors would have to deal with. We need to get enough revenues to cover the costs. We need to be efficient so as to engage customers, while reducing costs and increasing conversion rates at every stage of the customer journey.”

Parity Projects

“The biggest milestone was the launch of the online shop (www.reimarkt.nl) in combination with a tool that made refurbishment accessible to anyone at any moment: people can compose their own renovation package online. This milestone was essential in creating a scalable and more viable process. But please bear in mind that the most decisive factor is TRUST. “TRUST is a MUST”. So don’t put all your money in a platform and tools, but make sure you have (visible) trustworthy personnel.”

KAW

9. www.notaires.fr/fr/immobilier-fiscalite/C3%A9etudes-et-analyses-immobili%C3%A8res/performance-%C3%A9nerg%C3%A9tique-la-valeur-verte-des-logements

"On the one hand, it is good to have an online presence. On the other hand, some people who do not find the information they are looking for (e.g. cost/benefit analysis, etc.) could drop out of the process. Also, people who prefer to talk face-to-face could drop out of the process. On the other hand, the one-stop-shop has to be careful about the amount of information on the online platform: if there is too much, the development costs are high and people might be lost."

Linnaeus University

"There could be a single entry point at national level (internet and a call centre) that will provide basic information to homeowners and redirect them to a local one-stop-shop. This could be more efficient as all homeowners have the same questions, especially about subsidies. Also, it would make advisors' work in local one-stop-shops more valuable and attractive, as they do not have to repeat the same information all the time and can spare their time and competences for the later stages of the customer journey."

Énergies Demain

8

If you have sufficient financial resources, it is a good idea to build a physical shop.

"A physical shop can attract people walking in the street, who discover this shop by chance (perhaps people who we would not reach through other communication channels) and people who like (window) shopping. You need to animate the shop through events, parties, product demonstrations, exhibitions, etc.

French one-stop-shops have offices. However, not all of them have an open shop. They rely rather on the network of local stakeholders (real estate agencies, municipal services, etc.) who have offices open to the public and who can direct homeowners to the one-stop-shop. This network is particularly important for those one-stop-shops that are operating at regional level."

Énergies Demain

"It is necessary to have a flesh-and-blood advisor at the project definition stage, but s/he can also be available on the phone, or s/he can visit the home. An office is practical to make appointments."

Mantova

Bonus info

You may want to create an **open space dedicated to housing in general**, not only to energy renovation. In this place, homeowners can prepare contracts with tenants, building permits, etc. Example: The city of Lille in France and its La Maison de l'habitat durable¹⁰. This space was set up 10 years ago and allows different stakeholders to showcase their services and products related to housing. The one-stop-shop is located in the very city centre, in an exemplary renovated building, which also shelters offices of local associations that regularly organise events on different topics.

The one-stop-shop could also be part of neighbourhood 'open centres for citizens' where one can access services and information on other topics related to city life (waste, food, etc.), giving it a less 'administrative' feel.

10. www.maisonhabitatdurable-lillemetropole.fr

"We want to provide a 'living experience' to homeowners. In our one-stop-shop they can see things of which they have only heard: products and technologies, services, housing innovations, etc. The Rotterdam model Woon Wijzer Winkel inspired us¹¹. The fact that the local authority runs the one-stop-shop reassures homeowners, as it is an independent body. All interested private companies have the opportunity to display their products and services."

Heerlen

9

Get 'real' marketers and salesmen on board.



"Engage communication and marketing experts if you want to attract homeowners to your one-stop-shop. Market segmentation is key. You will not treat property owners in the same way as owner-occupiers. Local authorities do not always have such experts in-house."

Frederikshavn

"Your biggest effort should focus on attracting homeowners. There is not a simple or single way to do that, you should implement different approaches and tools."

AGENEX

"Energy counsellors and energy efficiency technicians also need to be involved in your one-stop-shop. In France we lack these experts, more people need to be trained."

Énergies Demain

"We will be hiring professional salesmen and marketing experts who can sell and convince people. If we only had technicians or manufacturers in the shop, the information would be too technical and confusing for homeowners. We will make use of the marketing tools developed by the Rotterdam one-stop-shop."

Heerlen

"Sales engineers' who master the technical issues and sale practices as well as the 'renovation coordinators' are the future jobs that need to be created."

Linnaeus University and Parity Projects

10

If your one-stop-shop can get subsidies, use them to develop your infrastructure and partnerships.

"The creation of our one-stop-shop has been a very long endeavour. Before we got to the stage supported by able-to-pay homeowners, we had to find a business case to support the development of the basic one-stop-shop infrastructure, advice services and our installer network. Initially, Parity Projects focused on the implementation of energy efficiency measures that benefitted from the national grant scheme."

Parity Projects

11. www.woonwijzerwinkel.nl/

"At the development stage we first focused on social housing organisations that are easier to deal with and from which we could learn (flywheel of standardised products)."

KAW

"Public support is necessary in the start-up phase which can be longer than 3 years (also called a death valley). After this experimental period, you should reassess if your one-stop-shop concept is relevant and profitable (number of leads, clients, refurbishments, payments...). This monitoring is very important to be able to re-position yourself on the market. Either the one-stop-shop delivers a public service (awareness raising) and is rewarded for that or it becomes profitable and should streamline its services appreciated by the clients and improve the conversion rates. It is not obvious to choose one of the two ways as they are interlinked. Local authorities should have both types of actors in their territory and provide public support to both."

Énergies Demain

11 If your one-stop-shop is a private company or a cooperative, try to get support from local or regional authorities on which area you operate.

"What has been key in getting the one-stop-shop started were partnerships with the Greater London Authority and other local authorities as well as building trust and momentum with installers and partners. Local authorities are keen to support actions that result in energy and carbon savings. It is just difficult to get their logo on the scheme, unless they fund the one-stop-shop".

Parity Projects

"It is good to have public support, but this is not always very stable due to the stop-and-go effect that unfortunately occurs quite often. Private companies should not rely only on this cooperation and subsidies."

Énergies Demain

12 Consider alternative revenue sources for your one-stop-shop, in addition to service fees you charge to homeowner.

"We based our business model on taking a fee from installers in return for marketing, advice and coordination (which will provide them with value). The one-stop-shop is run by a partnership between Parity Projects, which focuses on marketing, advice and IT, and Retrofit Works cooperative, which manages the installers."

Parity Projects

"In France, Energy Efficiency Certificates (EEC) partly finance one-stop-shops. In the future, part of these financing instruments could be allocated to the financing of one-stop-shops as a 'reward' linked to the actual completion of works and their energy impact."

Énergies Demain



13 Deep renovation or step-by-step approach?

"We talk about two types of works which are not mutually exclusive, but these are two different markets (different services, different clients). The one-stop-shop has to develop strategies to capture them both. It should also take advantage of the life-changing moments during which people are more likely to take energy performance on board (e.g. when buying or extending their house due to a new family or health situation). The development of so-called building passports is also key so that investments are properly valued."

Énergies Demain

"We prefer the step-by-step approach. Promoting deep renovation can have a reverse effect on homeowners and we risk to lose the clients. In any case, each energy renovation plan contains measures leading to deep retrofit. It also describes the order of implementation, so that the homeowner can renovate progressively without a lock-in effect."

Frederikshavn

"We recommend a step-by-step approach and, in parallel, we build the capacities of stakeholders to implement deep renovation measures and raise the awareness of homeowners. It is easier to catch people who want to do small things and then convince them to do more."

Mantova



"It is necessary to educate people as they do not always understand which technical solution is the best."

Riga Energy Agency

14 The one-stop-shop can facilitate project bundling and act as an interface vis-à-vis financial institutions.

"Retail banks do not want to lose contact with their clients. They are ready to deal with them individually and are ready to finance their projects (for some type of customers). However, investment and development banks are more and more interested in developing another way of financing energy retrofits. They become ready to lend money to regional or local one-stop-shops who are able to bundle individual projects in bigger investment packages (for example, the European Investment Bank provided loans to some French one-stop-shops)."

Énergies Demain

15

You may want to opt for a neighbourhood approach in energy renovation.

"In Brussels, we opened six one-stop-shops in different neighbourhoods to be closer to homeowners. Later on, the region made a political decision to regroup the shops in one single location in the city centre. However, we are now about to reconsider this approach and decentralise the one-stop-shops again."

Brussels Capital Region

*"There is an interesting case study of 'neighborhood renovation' going on in Nouvelle Aquitaine Region (France). In 2019, the Region published a call for projects to test a '**grouped energy renovation**' of single-family houses. 74 homeowners of the Municipality of Canejan (Department of Gironde) have applied. The dwellings are located in two residential areas, built mainly in the 1970s and 1980s. The global operation, coordinated by the regional one-stop-shop 'ARTEE', is split in two phases:*

- *Phase 1: audits took place from December 2019 to April 2020 and consisted in auditing all the dwellings.*
- *Phase 2: implementation will take place from July 2020 to March 2021.*

At the end of Phase 1, 46 owners expressed their interest to continue with Phase 2. The homeowners aim at reaching the low energy standard and integrating renewable energy sources and sustainable building materials in their refurbished homes."

Learn more (in French): www.artee.fr/actualites-home/renovation-energetique-groupee/

Énergies Demain



6

CASE STUDIES

1 | ARADIPPOU MUNICIPALITY (CYPRUS)

Aradippou municipality has set up a local buildings registry to better monitor the energy home renovation works that are implemented by its citizens. It has also introduced a local “CO₂ Reward Card” to financially incentivise citizens investing in home energy efficiency measures and building-integrated PV systems.

PROJECT ID

One-stop-shop name	Aradippou Municipality One-Stop-Shop
One-stop-shop location	Aradippou (19,200 inhabitants)
Business Model	Coordination model
Legal status of the project company	Municipality
Project sponsors	EU Horizon 2020 programme, Municipality
Types of residential buildings targeted	Single family houses
Cost of energy renovation works in the area	One or several single measures: €5,000 – 10,000 Deep retrofit for a standard 4-member family home: €39,000 – 42,000
Project kick-off	June 2018



LOCAL POLICY OBJECTIVES IN A NUTSHELL

The long-term vision of the Aradippou municipality is to become a “Net-Zero Energy Smart City”. This objective is aligned with the EU target to become climate-neutral by 2050.

The municipality currently plans two photovoltaic parks of 3 MWp capacity each. It also aims at encouraging its citizens to install photovoltaics on the roofs of their homes and invest in energy efficiency actions.



WHAT SERVICES DOES THE ONE-STOP-SHOP PROVIDE TO HOMEOWNERS?

Engagement process	✓
Energy renovation and financial plan	✓
Coordination of the renovation process	✗
Long-term and affordable financing	✓
Guaranteed results & post-work monitoring	✓

Engagement process

Homeowners contact the one-stop-shop and register their project in the existing house registry of the municipality.

Energy renovation and financial plan

Energy auditors, partners of the one-stop-shop, recommend relevant energy efficiency measures and PV systems to the homeowners. It is then up to the homeowner to select the architect/construction company who will carry out the renovation works and to sign a contract with a bank in case they need to apply for a bank loan.

The municipality does not interfere in this process in order to remain impartial.

Coordination of the renovation process

Homeowners directly contract the suppliers. The municipality does not coordinate the renovation process.

Long-term and affordable financing

The one-stop-shop offers homeowners a **municipal tax deduction** and a **grant** depending on the amount of CO₂ emissions saved.

Homeowners can benefit from **two financing schemes** developed by the municipality:

- **A soft loan** for the installation of building-integrated PV technology.
- **A municipal grant** for energy renovation measures and PV technology. This new financial incentive is currently under development. The idea is to introduce a local "CO₂ Reward Card" that would offer a financial equivalent of the amount of CO₂ emissions saved by homeowners. The reward would be recovered through a deduction or exemption from the municipal property taxes.

Guaranteed results & post-work monitoring

The municipality performs an energy audit in order to **verify the achieved energy savings and CO₂ emissions reduction**. A homeowner is eligible for the municipal Reward Scheme only if the energy renovation works are of excellent quality.

BEHIND THE SCENES: HOW ARADIPPOU DEVELOPED ITS ONE-STOP-SHOP STEP-BY-STEP

Market Gap Analysis

Aradippou is a small town with approximately 4,000 single family houses. However, it has a strong influence on the Larnaca District (approx. 30,000 single family houses) where it is located.

The Market Gap Analysis pinpointed the following findings:

1. The energy performance of the housing building stock in Cyprus, ranking from medium to bad, shows that there is a great potential for deep energy renovation. 91% of the current housing building stock was built at a time when no legal obligations for thermal insulation or other energy efficiency measures existed, i.e. between 1980s and 2008.
2. There is a lack of tailor-made financial products for home renovation.
3. There is a need for a single contact point that would provide homeowners with credible and impartial information, advice and guidance while coordinating the whole energy efficiency value chain.

Business model

Aradippou municipality benefits from a trustful relationship with its citizens. That is the main reason why it wished to maintain a neutral and independent role within the local one-stop-shop. Thus, it opted for the “coordination model”. The municipality has been engaging with different local stakeholders (private construction companies, energy auditors, banks, etc.) which play the key role as partners of the one-stop-shop but it does not directly interfere in the market.

The one-stop-shop has been integrated within the technical services of the municipality. The **development costs were covered** through the EU Horizon 2020 funding with a budget of approximately €200,000 for 3 years. The **annual running costs** are expected to be relatively low - approximately €34,000/year. In the future these will be covered by the municipal budget. The one-stop-shop does not generate any revenues as it provides its services to citizens **free of charge**.

Aradippou's one-stop-shop is ran by municipal officers:

- The **strategy team**, consulting the Mayor and the Municipal Council, includes the municipality's secretary, the chief engineer and the EU Affairs Office Consultant.
- The **operational team**, one coordination officer and four civil engineers who provide advice to homeowners.
- The **general call centre of the municipal administration** was trained to answer first questions and redirect citizens to the operational team.

Key partnerships

Aradippou closely cooperates with the Ministry of Energy, Commerce and Industry of Cyprus as well as with the local Larnaca Chamber of Commerce and Industry (LCCI). LCCI informs the private sector about the one-stop-shop services.

2 | BRUSSELS CAPITAL REGION (BELGIUM)

Since 2015, Brussels Environment, the public administration responsible for environment and energy in the Brussels Capital Region, has been working on a support scheme for the renovation of condominiums. The scheme builds on contacts with a large set of stakeholders and on numerous existing services and tools. Their coordination combined with an upgrade of the successful “Sustainable building facilitator” coaching service gave birth to the Brussels’ one-stop-shop.

PROJECT ID

One-stop-shop name	Sustainable Building Facilitator (Faciliteur Bâtiment Durable)
One-stop-shop location	Brussels Capital Region, comprising 19 municipalities, including the City of Brussels (1.2 million inhabitants)
Business Model	Coordination model
Legal status of the project company	Regional public service
Project sponsors	EU Horizon 2020 programme, Brussels Capital Region
Types of residential buildings targeted	Condominiums in private co-ownership with a focus on buildings containing 10 to 50 housing units.
Cost of energy renovation works in the area	Deep renovation in medium-sized condominiums: €30,000 – 40,000 per unit. For smaller buildings, the cost per household tends to be higher, for larger buildings, lower.
Project kick-off	The Brussels one-stop-shop is an upgrade of existing services. The pilot was launched in 2018 with 4 condominiums and the final version of the one-stop-shop will be launched in 2021.
Number of refurbishments performed	Since January 2018, the Sustainable Building Facilitator has provided basic advice to some 3,500 clients per year. Four condominiums have received a tailor-made support and eight more are being followed by the renovation coaches. Due to the complicated decision-making process spreading over several years, we expect to complete the renovation in at least 3 condominiums by the end of 2021.



LOCAL POLICY OBJECTIVES IN A NUTSHELL

In April 2019, the Brussels Region voted a 2050 Renovation Strategy. It is a regional contribution to the National Energy and Climate Plan, setting the building performance goal at 100kWh/m²/year for 2050. The target for reducing the greenhouse gas emissions is set at 40% for 2030 and 95% for 2050 (compared to 1990).

An average renovation rate of 6% per year is necessary to achieve this target, i.e. six times higher than the 2019 rate. The strategy will make **home renovations mandatory starting in 2025**. Ahead of this deadline, the region implements various activities to raise awareness amongst condominium owners and building managers.

The main pillar of the Brussels Region renovation strategy is the implementation of a mandatory 5-step renovation plan. In 2025, the Energy Performance Certificate¹ (EPC) will become an obligation for every home. It will be delivered with a roadmap for the specific home towards an EPC level C (100 kWh/m²/y in primary energy), to be reached by 2050. This regional renovation strategy further contains 34 action sheets, from general to specific actions for each target group, all converging towards the upcoming obligation and putting in place support mechanisms for homeowners. For condominiums, the actions range from a specific EPC for multi-apartment buildings to an interactive website offering tools and templates as well as revamped financial products such as the Brussels Green loan, the renovation grant and the energy grant².

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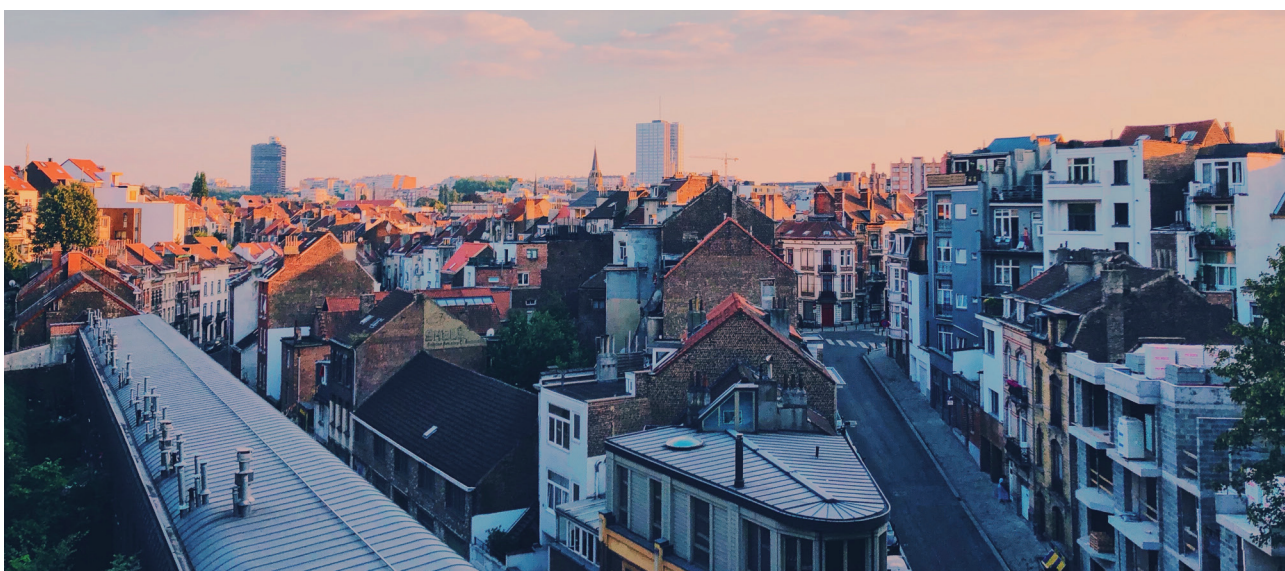


WHAT SERVICES DOES THE ONE-STOP-SHOP PROVIDE TO HOMEOWNERS?

Engagement process	✓
Energy renovation and financial plan	✓
Coordination of the renovation process	✓
Long-term and affordable financing	✓
Guaranteed results & post-work monitoring	✗

1. www.certibru.com/en/epb-certificate-residential-house-apartment-brussels/epb-certificate-residential-house-apartment-brussels-information

2. https://environnement.brussels/sites/default/files/user_files/strategie_reno_fr.pdf



Engagement process

The one-stop-shop has activated professional networks of building managers and co-owners who promote the service towards their members. The Sustainable Building Facilitator is now a well-known service receiving a constant amount of requests from homeowners. However, a new, broader communication campaign is planned for 2021. Homeowners or building managers contact the one-stop-shop by email or phone and briefly explain their request. The starting point of the coaching process is a first visit to the building by an energy coach and a social mediator.

Energy renovation and financial plan

After the energy and sustainability check of the building, the coach prepares a report with at least three renovation scenarios including the costs and discusses the optimal choice with the building manager and the representatives of co-owners. Later on, the coach presents the chosen scenario to all co-owners at the general assembly where the final decision is taken. For ambitious projects, two meetings are very often necessary. The co-owners' association then signs a contract with the one-stop-shop, to formalise the collaboration and establish the conditions of access to the service.

The renovation plan includes all additional studies necessary before starting the refurbishment. For ambitious energy refurbishments, the one-stop-shop coach will stress the importance of working with an architect, which many condominiums avoid contracting because of extra costs. A pro-bono architect can help condominiums in a precarious state. Brussels Environment is developing the pro bono program to be launched in 2021.

The coach will also offer an overview of all existing financing schemes available in the Brussels Region (the Brussels green loan, subsidies, etc.). In the future, the one-stop-shop will have an accreditation to provide more tailor-made financial advice adapted to the homeowner's situation.

Coordination of the renovation process

The energy coach follows all stages of the renovation process, supporting the architect in charge of the project. However, for the time being, the coach does not provide any guarantee of the quality of works (the issue is currently being discussed).

The one-stop-shop does not have a direct contract with suppliers. In the future, the Ecobuild Cluster (a publicly funded cluster grouping 200 sustainable building professional members) will be in charge of coordinating the supply side on behalf of the one-stop-shop. It will provide homeowners with a list of suppliers, an interactive tool to find the right practitioner and an online quoting service. Extending their market is of interest to the members of the cluster.

Long-term and affordable financing

Homeowners can benefit from the Brussels Green Loan. Furthermore, the regional subsidies will be adapted to condominiums. This product has specifically been designed for energy efficiency measures. The Green Loan is a Brussels Environment product, managed in partnership with a cooperative bank (Credal) and the Housing Fund. The Green Loan can be combined with other energy and renovation grants. Energy grants provided by Brussels Environment are available for individual measures: the higher the ambition the higher the grant.

Guaranteed results & post-work monitoring

The contract between the one-stop-shop and the co-owner association outlines the ambition of the refurbishment. The coach will provide a monitoring manual for the owners and the building manager. The co-owner association will have to prove the results through technical documents and pictures. In case the condominium has worked with a regional pro-bono architect, he/she will give the guarantee of results. The one-stop-shop could develop further technical solutions (still to be determined).

BEHIND THE SCENES: HOW BRUSSELS CAPITAL REGION DEVELOPED ITS ONE-STOP-SHOP STEP-BY-STEP

Market Gap Analysis

The first step towards a one-stop-shop was a complete market gap analysis, conducted in 2017. At that time, the Brussels Region already had **two public services** supporting citizens in the home renovation process:

- **Homegrade:** for private homeowners and small condominiums of up to six units.
- **Sustainable Building Facilitator:** for the service sector, public building owners and tenants, architects and consultants, social housing companies and private co-owner associations.

In addition, nine associations known as the **Housing Network** acted as renovation facilitators in specific neighbourhoods of the city.

Despite all the available help, the renovation rate remained very low, especially in condominiums representing 40% of the housing units.

Condominiums are a target group hard to get in contact with and experience many difficulties with their management in general. Moreover, the number of existing actors and initiatives does not make it easy for homeowners to know where to start and who to ask for advice.

We also revealed the **lack of trust** between all parties as a major barrier.



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Business model

Based on the results of the market gap analysis we chose an iterative process to develop the one-stop-shop for condominiums. We organised a number of workshops and meetings with stakeholders and target groups. In 2018 we started a pilot project involving four condominiums (out of 15 condominiums foreseen in the beginning) that allowed for testing the one-stop-shop methodology and tools. We will officially launch the one-stop-shop in the first semester of 2021. During the first two years, the coaching method will be regularly adapted according to the results we will obtain.

Following a standardised process, each project will require on average 10 to 15 days of coaching which includes:

- **A coaching service** for homeowners and building managers through every stage of the renovation project.
- **A coordination of the supply side** through the involvement of the Ecobuild Cluster.

In the first years of its operation, the one-stop-shop services will be free of charge for condominiums. In the second phase, these may partly become a paid service. The Region will select, through a public tender in the second semester of 2020, a one-stop-shop provider who will be able to charge a fee for its services.

The one-stop-shop will emerge from the already existing Sustainable Building Facilitator. This service was launched in 2006 and gives technical advice to condominiums and building professionals.

Brussels Environment will bear 100% of the costs.

The total budget for the Sustainable Building Facilitator is €1.8 million per year. The one-stop-shop that will be launched in 2021 with an estimated team of 16 people will cost **€500,000 per year**, with little development costs, as the basic version of the service is already up and running.

In addition to architects, engineers and energy experts, the one-stop-shop team will also include social mediators. The 'human factor' has been identified as being very important to trigger renovations, especially during the recruitment and decision-making phase in a condominium.

An interactive website such as CoachCopro¹³ by Paris Climate Agency will be developed with a specific budget of €70,000. The city of Liège has already adapted the tool for the Belgian context in the framework of the ACE-Retrofitting project⁴.

Key partnerships

In order to build trust, a **network connecting renovation professionals and target groups** was established. In addition, a working group, bringing together public administrations, the private and associative sector, was created to better coordinate the multitude of players on the supply side.

A public-private partnership has been established in this Danish town to make energy renovation easier for homeowners. The one-stop-shop services are even more attractive for households, when the expected renovation result goes beyond energy savings.

PROJECT ID

One-stop-shop name	One-stop-shop Frederikshavn
One-stop-shop location	Frederikshavn municipality (23,296 inhabitants)
Business Model	Coordination model
Legal status of the project company	Municipality
Project sponsors	Local authority, EU Horizon 2020 programme
Types of residential buildings targeted	Single family houses and condominiums
Cost of energy renovation works in the area	One or several measures: €8,000 per unit Deep renovation: €75,000 per unit
Project kick-off	2017
Number of refurbishments performed	423 energy renovations (2 to 3 measures) from June 2017 to October 2019.



LOCAL POLICY OBJECTIVES IN A NUTSHELL

In 2011, the Danish government set an ambitious energy policy goal of becoming fossil-fuel free by 2050. The strategy states that the building sector will play a key role, being one of the largest energy consuming sectors in Denmark, mostly through heating (22% of energy consumption is attributed to single-family houses). Although there is widespread political support for building renovation, no official targets have been set for the residential sector. Recently, the municipality of Frederikshavn established a UN-Sustainable Development Goals steering committee targeting energy renovation of buildings as its top priority.



WHAT SERVICES DOES THE ONE-STOP-SHOP PROVIDE TO HOMEOWNERS?

Engagement process	✓
Energy renovation and financial plan	✓
Coordination of the renovation process	✓
Long-term and affordable financing	✗
Guaranteed results & post-work monitoring	✓

Engagement process

The one-stop-shop is running comprehensive information campaigns targeting private homeowners and condominium co-owners using all available local media, municipal website, Facebook as well as face-to-face meetings. The one-stop-shop municipal project manager is responsible for engaging with the target groups and creating sufficient energy renovation volumes. His priority is to build the credibility of the offered services and gain the trust of homeowners.

Energy renovation and financial plan

The one-stop-shop lead partner, Energihuset energy consulting company, prepares the energy renovation and financial plan free of charge and together with the homeowner. The plan highlights the priority measures with the highest energy saving potential.

Coordination of the renovation process

The homeowner signs a single contract with the one-stop-shop. The latter coordinates all the different construction companies and craftsmen.

Long-term and affordable financing

The one-stop-shop does not provide its own financial product. However, Frederikshavn municipality has negotiated with local banks: they offer attractive energy renovation loans at favourable conditions for all households including low-income ones which cannot always access a bank loan to finance the renovation works.

Guaranteed results & post-work monitoring

The municipal project manager guarantees the quality of the completed renovation works. In case the quality of works or energy savings do not correspond to the initial expectations, the one-stop-shop lead partner (Energihuset) has the duty to inspect and the involved suppliers to correct their work.

BEHIND THE SCENES: HOW FREDERIKSHAVN DEVELOPED ITS ONE-STOP-SHOP STEP-BY-STEP

Market Gap Analysis

1. The Market Gap Analysis showed that homeowners do not respond to conventional means of communication. Therefore, one of the greatest challenges is to **find alternative and credible communication tools** and messages in order to convince private homeowners to renovate their homes.
2. So far, the messages focused too much on the potential financial savings, which led to misunderstanding. Homeowners expected a quick payback and when this was not the case, they refrained from implementing the works. The key message should therefore be that the homeowner **invests in an integrated modernisation of its home** that leads to better comfort.
3. The role of **independent advisors** is also important, as they give homeowners a feeling of security and a wider degree of freedom to act.

Business model

The Frederikshavn energy department “**Energy City Frederikshavn**” has set up the one-stop-shop. Through a public procurement procedure, it has selected the **lead partner** who acts as the main contact point for homeowners. This partner has been chosen among several local consulting firms invited to join the organisation. The selected firm, Energihuset, was the only one already working with private homeowners and has therefore the experience to lead the one-stop-shop. Frederikshavn municipality also employs the municipal project manager who is responsible for **supervising and monitoring** the renovation projects led by the one-stop-shop.

Energihuset is an energy consulting firm that is responsible for the coordination of the renovation process. It coordinates various **one-stop-shop partners** including an independent energy consultant, an interior designer, carpenters, plumbing, electrician, masonry suppliers of building materials and electrical appliances and a kitchen manufacturer. It is also Energihuset that signs contracts with these partners. All craftsmen willing to join the one-stop-shop were invited to do so via our website and local social media. Depending on the scope of the renovation works, the one-stop-shop lead partner selects a team of craftsmen that performs the renovation works. The homeowner therefore only signs a contract with the one-stop-shop.

At the beginning of 2019, the municipality decided to grant a one-time payment to the consulting firm to get them on board and kick-start the project. The lead partner, except for the one-time payment, does not get paid by the municipality and generates revenues through the **fees paid by the homeowners** as a percentage of the total cost of the renovation works. These correspond to 5 % of total cost for single family houses and 10 to 15% for condominiums. The remaining 95% of the cost is paid to the suppliers. On average, the cost of energy efficiency refurbishment works per individual house is about **€8,000**. In order to be viable, Frederikshavn municipality would need 1,000 energy renovations of single-family houses or/and apartments per year.

The Dutch city decided for an IKEA-style one-stop-shop where homeowners get tailor-made advice on renovation works and can discover construction materials and technologies on the spot. The one-stop-shop is a joint project of a total of 7 municipalities. It offers a coordination service going from do-it-yourself to turn-key solutions, depending on the homeowner's needs and budget.

PROJECT ID

One-stop-shop name	WoonWijzerWinkel
One-stop-shop location	Heerlen (covering 7 municipalities in Parkstad Limburg Region, 250,000 inhabitants)
Business Model	Coordination model
Legal status of the project company	Private company
Project sponsors	Seven municipalities from the Parkstad Limburg region
Types of residential buildings targeted	Single family houses
Cost of energy renovation works in the area	One or several measures: €10,000 Deep retrofit: €60,000 (including insulation, solar panels, installation of a heat pump)
Project kick-off	September 2020



LOCAL POLICY OBJECTIVES IN A NUTSHELL

The regional Action Plan for the Energy Transition aims at making the Parkstad region energy-neutral by 2040. The plan was first adopted in 2015 and then adapted in 2018. It defines several targets for the housing sector such as:

- Refurbish 15,000 private houses;
- Extend the one-stop-shop services to the Province of Limburg (450,000 houses);
- Inform the homeowners of all 88,000 private houses about energy renovation benefits and options;
- Make financial products available to all homeowners;
- Involve social housing companies (covering 32,000 houses).



WHAT SERVICES DOES THE ONE-STOP-SHOP PROVIDE TO HOMEOWNERS?

Engagement process	✓
Energy renovation and financial plan	✓
Coordination of the renovation process	✗
Long-term and affordable financing	✗
Guaranteed results & post-work monitoring	✓

Engagement process

The one-stop-shop is located in a shopping and leisure area near the local football stadium. It is very visible and people can easily walk in. In the shop, they can receive a customised advice on how to renovate their house. The staff offers solutions and helps clients make the right choices in terms of suitable measures, best available products and construction companies. In addition to providing advice, construction materials and technologies are also on display, making the renovation more tangible. The ambition is to offer an “experience” to customers, like in an IKEA-shop. However, the staff does not recommend specific brands.

The one-stop-shop reaches out to its clients through different communication and marketing tools such as social media, leaflets or events. In the future, the coordinators hope to trigger mouth-to-mouth advertising through clients who are satisfied with the service - the most efficient form of promotion according to research.

Energy renovation and financial plan

The basic tailor-made house scan, followed by advice on suitable energy measures and improvements, is carried out online or in the shop free of charge. If homeowners decide to move further with their project, they have to pay for a more detailed audit and financial plan. The auditors conduct a house visit only once they are contracted by the homeowner.

Coordination of the renovation process

The one-stop-shop has developed a catalogue of energy renovation products and services with fixed prices and a guaranteed quality. Homeowners are free to choose from the catalogue and directly conclude the contract with the suppliers. The one-stop-shop offers a coordination service going from do-it-yourself to turnkey solutions, depending on the homeowner’s needs and budget.

Long-term and affordable financing

The one-stop-shop does not provide its own financial products. However, it operates as an intermediary between the financiers such as banks or mortgage providers and homeowners. In the future, the one-stop-shop plans to welcome financiers' stands or offices in its premises.

Guaranteed results & post-work monitoring

The one-stop-shop has developed a set of quality criteria that need to be met by all the partner installers whose products are included in the catalogue. The shop also performs a post-work quality monitoring. Guaranteed results are part of the initial house-scan but some additional services and guarantees can be provided at extra costs for the homeowner. The customers are always free to arrange things themselves, without the service or quality control of the one-stop-shop.

BEHIND THE SCENES: HOW HEERLEN DEVELOPED ITS ONE-STOP-SHOP STEP-BY-STEP

Market Gap Analysis

Heerlen is not an economically prosperous area. The city and its surroundings also suffer from a negative demographic growth. Both have a negative impact on the real estate market. The area counts many poor households whose mortgages are often higher than the actual value of the house. For these homeowners it is impossible to get a new loan for home renovation. The market gap analysis also revealed that the market is too dispersed with little or no connection between supply and demand. Homeowners who could eventually afford the renovation do not know what to do, where to get the right information and they often do not trust the construction sector professionals. When it comes to installers, they do not have sufficient competences in terms of communication with the customers.



© City of Heerlen



Business model

The Heerlen one-stop-shop was actually inspired by an already existing one-stop-shop: The “*Woon WijzerWinkel*” which opened in 2012 in Rotterdam. It is an IKEA-style shop where tailor-made solutions are exhibited and offered to homeowners. The shop has achieved the 25% conversion rate, which convinced the municipality to open **a shop franchise** in Heerlen.

Very early in the process, the municipality of Heerlen wished to enlarge the scope and ownership of the shop to other municipalities in the region. Many discussions have been held with their political representatives and finally, seven municipalities from the Parkstad region decided to join the project and co-finance the one-stop-shop.

The total **development and operational costs** for a period of 5 years will reach about €1.2 million.

The one-stop-shop **team** is composed of one director and two persons in charge of sales, advice and technical services to homeowners.

Regarding the **communication and marketing costs**, the one-stop-shop pays a fee to the parent company in Rotterdam to be able to benefit from their back office, logos, ICT, customer relations management system and communication supports.

Revenues come from the homeowners' fees for one-stop-shop services. The prices are fixed and depend on the scope of the service provided. Additional revenues come from installers who pay a provision for leads. Installers may also charge the fees for their services to homeowners, these are included in the overall invoice for the renovation works.

The one-stop-shop has also **negotiated special deals with manufacturers**. For example, it has achieved important economies of scale by buying some 1000 heat pumps for a reduced price. Specific communication campaigns promote these special deals to homeowners.

Local politicians in charge of sustainability policies in the participating municipalities act as ambassadors and promote the one-stop-shop in the region. The shop is an opportunity to bring politics closer to homeowners and installers and to promote a concerted action of local actors.

This business model should be viable if the one-stop-shop manages to implement **10,000 renovations over the next 10 years** (excluding social housing). However, negotiations with social housing organisations have started as they would give an extra boost to the existing business model. Moreover, at the end of 2020, a regional project focused on condominiums should be launched. In the near future, the idea is to scale the concept up and spread it through The Netherlands.

5 | MANTOVA MUNICIPALITY (ITALY)

Mantova's coordination one-stop-shop proactively supports condominium managers and homeowners throughout the renovation process. Condominiums benefitting from the one-stop-shop services share key project information and help the municipality to improve data availability on the residential building stock.

PROJECT ID

One-stop-shop name	One-stop-shop Mantova
One-stop-shop location	City of Mantova (ca. 50,000 inhabitants)
Business Model	Coordination model
Legal status of the project company	Municipality
Project sponsors	Municipality
Types of residential buildings targeted	Condominiums
Cost of energy renovation works in the area	Deep renovation: €20,000 – 50,000/flat for condominiums, depending on the condominium size
Project kick-off	Autumn 2020
Number of refurbishments performed	0 retrofits, 2 condominiums advised



LOCAL POLICY OBJECTIVES IN A NUTSHELL

In 2020, Mantova municipality is finalising its Sustainable Energy and Climate Action Plan. Until now, the city did not have any strategy or specific targets for the energy renovation of the residential sector.

In Italy, the national objective is to reduce the final energy consumption in the residential sector by 3.3 Mtoe by 2030. However, the pace of home energy renovation is still low and a major action is needed to achieve these targets.

The Italian National Energy and Climate Plan suggests some interesting solutions. For 2019-2021 incentives for building improvements should be implemented through the application of reduced rates of registration, mortgage and land registry taxes on transfers of buildings, for construction or renovation companies engaging in energy

upgrade projects and subsequently transferring them to other owners. Also, in order to encourage local investments, the government will put in place a fund for municipalities launching initiatives that involve energy efficiency, sustainable local development and the security of infrastructure and public buildings¹.



© City of Mantova

WHAT SERVICES DOES THE ONE-STOP-SHOP PROVIDE TO HOMEOWNERS?

Engagement process	✓
Energy renovation and financial plan	✓
Coordination of the renovation process	✓
Long-term and affordable financing	✗
Guaranteed results & post-work monitoring	✓

Engagement process

The one-stop-shop offers advice on optimal energy renovation works to condominiums. The customer journey starts at the one-stop-shop website that is accessible from the homepage of the municipality's website². Homeowners can also use an **online tool** to make a quick scan of their building. If the results show that the renovation is worthwhile, they can send a meeting request and arrange a face-to-face appointment with the one-stop-shop staff.

The municipality will promote the services in all municipal info points and partners' offices. Moreover, the municipality plans to organise a **conference** on different topics (how to refurbish, what are the expected results, how to finance the investment) as well as **guided tours** involving the homeowners or building managers who have already completed the renovation process. These will be part of a general communication campaign on climate change and urban development. The idea is to build a '**database of solutions**' available to all citizens.

Energy renovation and financial plan

The one-stop-shop **facilitates the contact** between homeowners and professionals who can develop an energy renovation plan and realise an energy audit (paid directly by condominiums). If all owners in a condominium want to go further, the one-stop-shop manager asks shortlisted qualified enterprises for quotes. The condominium's assembly then takes the final decision on energy renovation works and chooses the enterprises.

1. https://ec.europa.eu/energy/sites/ener/files/documents/it_final_necp_main_en.pdf

2. One-stop-shop website: www.comune.mantova.gov.it/index.php/innovate

A first financial plan is included in the energy audit. It contains an overview of existing subsidies available for the condominium. Entrusted professionals can then provide a more detailed financial plan. On top of that, the one-stop-shop staff provide information on existing loans, incentives (e.g. Ecobonus, Sismabonus, bonus facades) and financing schemes (e.g. financing by third parties via a credit transfer). They can also check and advice on the financial plan developed for condominiums (although the responsibility remains with the professional in charge).



Coordination of the renovation process

The one-stop-shop does not act as a general contractor – it does not contract suppliers on behalf of condominiums – however, it supports the condominiums' building managers throughout the renovation process. For instance, the staff develops standard templates of innovative energy performance contracts that include guaranteed results and advise condominium managers or the professionals in charge.

Long-term and affordable financing

The one-stop-shop is not offering its own financial product but helps homeowners accessing **very generous and comprehensive subsidies** provided by the national government. For example, small interventions can benefit from an income tax deduction of 65% of the total investment, while energy renovation of the whole building is eligible for 70% and deep renovation for 75% (with a cap of €40,000 per flat).

Low-income homeowners who pay low taxes can sell the credits they "earn" thanks to energy renovation to a third party – often an energy utility. The energy utility pre-finances the full cost of renovation and then recovers 75% tax deduction from the state over 10 years. This state scheme can really foster deep renovation.

Guaranteed results & post-work monitoring

The one-stop-shop encourages condominiums to sign **energy performance contracts with guaranteed results**. Condominiums benefitting from the one-stop-shop services are obliged to share the key project data (energy consumption before and after renovation, type of intervention, investment size, financing schemes used, etc.). These data will feed a database used by the municipality to calculate energy and emissions savings from the residential sector.

BEHIND THE SCENES: HOW MANTOVA DEVELOPED ITS ONE-STOP-SHOP STEP-BY-STEP

Market Gap Analysis

In 2017, there was not any offer of integrated home energy renovation services in Mantova and surroundings. Homeowners refurbished their homes mostly to repair functional damages. They were not aware of the benefits of energy renovation, nor the generous subsidies available at national level.

The municipality decided to focus on condominiums due to their high energy saving potential. Most of the condominiums require urgent maintenance and energy efficiency measures. However, standardised tools and procedures for building managers were missing.



Business model

Initially, the municipality was considering an *all-inclusive business model*. However, on the one hand, the city lacked the human and financial resources and on the other hand, local stakeholders were worried that the one-stop-shop fully led by the municipality could create an unfair competition and take a potential new market away from them.

Therefore, the municipality opted for the coordination model. The one-stop-shop facilitates the entire process and strives for gaining the trust of citizens and professionals. It is composed of a **team of 6 experts** (technical, financial, etc.) employed by the municipality who coordinates the work of external renovation experts and suppliers.

The municipality covers the **fixed costs** of the one-stop-shop for a pilot period of 12-18 months, while condominiums pay for the services provided by suppliers. At a second stage, the municipality intends to ensure the **revenue streams** from the **fees paid by homeowners** as a percentage of total cost of energy renovation.

Key partnerships

One-stop-shop **key partners** – architects, engineers, consumers' associations, associations of building managers and construction companies – have signed a **partnership agreement** with the municipality. They form a **steering committee** that actively participates in the process.

The municipality plans to organise free of charge trainings for all involved stakeholders in order to harmonise their expertise and create a global offer for condominiums. They now see the one-stop-shop as an opportunity to build their capacities and to access the new market that deep renovation could create.

The city of Litoměřice launched the very first local one-stop-shop in the Czech Republic. The service is integrated in a specific unit of the municipal administration, the SMART CITY Litoměřice and it is for free thanks to the city's Energy Saving Fund. Unfortunately, despite a strong demand from citizens, the municipality cannot finance the full renovation package. Therefore, it started to test the one-stop-shop concept with a "lighter" coordination model.

PROJECT ID

One-stop-shop name	SMART CITY Litoměřice
One-stop-shop location	Municipality of Litoměřice (25,000 inhabitants)
Business Model	Coordination model
Legal status of the project company	Municipality
Project sponsors	Municipality of Litoměřice
Types of residential buildings targeted	Single family houses Condominiums
Cost of energy renovation works in the area	1-2 single measures: €4,000 – 5,000 Deep renovation: €70,000
Project kick-off	March 2018
Number of refurbishments performed	1



LOCAL POLICY OBJECTIVES IN A NUTSHELL

As indicated in the Sustainable Energy and Climate Action Plan of the City of Litoměřice (approved in 2018), the biggest potential to reduce energy consumption lies in the residential sector (57% of total energy consumption and 54% of CO₂ emissions). The city aims at reducing the energy consumption in this sector by 44% and CO₂ emissions by 27% until 2030.



WHAT SERVICES DOES THE ONE-STOP-SHOP PROVIDE TO HOMEOWNERS?

Engagement process	✓
Energy renovation and financial plan	✓
Coordination of the renovation process	✓
Long-term and affordable financing	✗
Guaranteed results & post-work monitoring	✗

Engagement process

The one-stop-shop provides a first energy evaluation (quick scan) and informs homeowners about potential improvements. The municipality develops **case studies** and organises **events** to showcase the pilot deep renovation project, including suppliers who worked on the project. The municipality organises **workshops and individual meetings with homeowners** and provides communication materials such as flyers, press releases and, most importantly, the web presence of the one-stop-shop service¹. The official launch event took place in the **presence of the city's mayor**.

Energy renovation and financial plan

Upon request, the one-stop-shop provides a list of experts who can carry out an in-depth evaluation of the building. They can also develop an energy renovation plan that contains recommendations on renovation measures and an estimate of the costs. Homeowners sign the contract directly with the expert of their choice. A financial expert contracted and paid by the one-stop-shop (in the initial phase) prepares a financial plan for the project including national subsidies (in particular a grant from the "New Green Savings" programme²) and homeowners' own financing.

1. <https://www.mestosenergii.cz/>

2. <https://www.sfzp.cz/en/administered-programmes/new-green-savings-programme/>

Coordination of the renovation process

The one-stop-shop can provide a list of experienced external renovation coordinators who are responsible for the project documentation, supervise the construction works and guarantee the quality of works and energy savings. The same goes for trained external suppliers who have already implemented successful deep energy renovation projects in the past. Homeowners sign contracts directly with the coordinator and suppliers of their choice.

Long-term and affordable financing

In order to complement the existing national funding tools, the one-stop-shop plans to provide citizens with a municipal subsidy for the energy audit and the development of a financing plan. Homeowners can apply for a municipal subsidy from the municipal Energy Saving Fund. However, the Fund will not finance the renovation works.



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Guaranteed results & post-work monitoring

The one-stop-shop does not guarantee the quality of works and energy savings, as this is the role of the renovation coordinator. However, it supervises and can guarantee the satisfaction of clients with the services provided by the renovation coordinator and different suppliers. The latter monitors the results in the year following the completion of the works and verifies the actual energy savings. The renovation coordinator also guides the homeowners on how to further reduce their energy consumption by changing their behaviour.

BEHIND THE SCENES: HOW LITOMĚŘICE DEVELOPED ITS ONE-STOP-SHOP STEP-BY-STEP

Market Gap Analysis

In 2017, there was not any specific instrument supporting energy renovation in the residential sector at municipal level. It was very difficult for homeowners to deal with the whole renovation process and to implement complex measures. The municipality organised a series of public discussions to identify the one-stop-shop model that would be the most appropriate and attractive for citizens.

The key findings of this analysis were:

- Homeowners are interested in the one-stop-shop concept. They prefer an **All-inclusive model** where the experts take care of the whole renovation process from A to Z but they are not ready to pay for this service. They consider that it should be a **public service** offered by the municipality. Indeed, they trust the municipality as an independent and impartial advisor. Homeowners would also appreciate local subsidies for home energy renovation, similar to already existing municipal subsidies for PV installation.
- **The network of reliable suppliers** which can provide a full service package does not exist and needs to be created. It would go from project preparation through financing to realisation, monitoring and evaluation of energy savings and other benefits.

The one-stop-shop services were tested on one pilot deep renovation project. Based on this experience, a final concept was developed and approved by the City Council in March 2020.



Business model

Due to limited human and financial resources as well as the initial low political support, the municipality decided to first test the Coordination model.

The one-stop-shop is integrated in a specific unit of the municipal administration called SMART CITY Litoměřice. It employs one energy manager who is part of this unit.

The **fixed costs** of the set up and annual operation are estimated at €20,000 /year.

The city's **Energy Saving Fund** that collects financial savings from energy efficiency measures realised by the municipality in the public sector, covers these costs. Initially the plan was to finance the one-stop-shop from realised energy savings in the residential sector (internal Energy Performance Contracting) but after discussion with experts, the city decided for a smoother approach – to use financial savings from the Energy Saving Fund.

In the future, the one-stop-shop will remain a public service and the municipality does not expect it to **generate any revenues**. In the first phase, it is estimated that it will serve about five clients per year.

Key partnerships

The one-stop-shop has established **partnerships with different external stakeholders** who provide services to homeowners. It does not recommend specific suppliers. The homeowner, who bears full responsibility for the contracts, makes the choice. Few local partners from the business sector were interested to cooperate due to a small financial volume of potential investments. Those who got involved in the pilot project of the one-stop-shop were the suppliers who already worked with the municipality on energy efficiency projects in the past. They are mainly motivated by the future references and promotion they would receive from the municipality.

7 | RIGA ENERGY AGENCY (LATVIA)

In order to meet its long-term building renovation targets, the municipality of Riga decided to set up a one-stop-shop that provides all necessary information on renovation programs co-financed by the city and other actors. In 2018, the city also established a pilot fund of €500,000 that allocates grants to condominiums. These can cover up to 50% of costs for energy renovation works. Through the grant scheme, the municipality hopes to raise citizens' awareness and motivation to renovate their homes. Between 2017 and 2020, 154 multi-apartments buildings have been renovated; however, these were not deep renovation projects.

PROJECT ID

One-stop-shop name	Riga Energy Agency
One-stop-shop location	Municipality of Riga (633,071 inhabitants)
Business Model	Coordination model
Legal status of the project company	Municipality company
Project sponsors	Municipality of Riga
Types of residential buildings targeted	Condominiums with 8+ flats
Cost of energy renovation works in the area	€15,400 for one or few measures – In average of €300/m ² Renovation cost for a flat of 4 people (60 m ²): €18,000.
Project kick-off	1 st of January 2018
Number of refurbishments performed	154 multi-apartment buildings (10,000+ inhabitants engaged) The number of energy renovations should double by the end of 2020.



LOCAL POLICY OBJECTIVES IN A NUTSHELL

The Latvian long-term strategy for the renovation of buildings aims at improving energy consumption in around 14,000 households between 2014-2023. At the local level, the municipality of Riga approved Riga's Development Plan 2030 that includes energy and climate related measures in the housing sector. The city also signed the Covenant of Mayors, thus committing to reduce emissions by 60% by 2030.

WHAT SERVICES DOES THE ONE-STOP-SHOP PROVIDE TO HOMEOWNERS?

Engagement process	✓
Energy renovation and financial plan	✓
Coordination of the renovation process	✗
Long-term and affordable financing	✓
Guaranteed results & post-work monitoring	✗

Engagement process

The physical one-stop-shop is located in the offices of Riga Energy Agency and is open to homeowners two days per week.

The one-stop-shop uses different communication channels to reach homeowners:

- A launch conference hosted by the Mayor of Riga was organised in June 2017, with 400 inhabitants attending;
- A physical office offering consultations to homeowners;
- Brochures;
- Website (www.renoveliv.lv);
- Local events at district level organised in cooperation with local community leaders – this proved to be the most efficient way to reach out.

The most convincing arguments for homeowners are potential energy and financial savings as well as an **increase of the building value**. When advising homeowners on the renovation approach, construction works should be presented as several smaller lots, i.e. internal communication (pipelines, heating, etc.) and external general construction (windows, roofs, insulation, etc.).

It is hard to convince flat owners to go into deep renovation in one single step due to a lack of financing. They are more interested in a step-by-step approach. In Riga, the municipality is not limiting the number of grants per house, so it is possible to receive funding for each energy efficiency action.

Energy renovation and financial plan

A subcontracted company performs an energy audit, financed at 80% by the municipality and 20% by the flat owners. Then, the one-stop-shop recommends implementing certain energy efficiency measures, provides recommendations on quality standards and pricing for construction works.

In the best case scenario (deep renovation), the homeowners can reach up to 50% energy savings, thereby decreasing his overall utility bill by 40%.

The one-stop-shop advises flat owners on the project financing, using their own resources, available subsidies and other financing means. It also provides assistance for the preparation of the application to the municipal subsidy scheme.



© City of Riga

Coordination of the renovation process

The one-stop-shop does not provide a list of professionals – as a public body, it cannot promote particular suppliers – and it is not engaged in the procurement process. Flat owners decide on their own which company they want to hire for the renovation works.

Long-term and affordable financing

The one-stop-shop provides condominiums with a **subsidy covering up to 50% of the renovation costs**. The maximum timeframe to use the grant is one year but in case of more complex projects (e.g. deep renovation), this might be extended by one more year.

There are three main requirements to receive the co-financing. The condominiums must have at least 8 flats and no debts on taxes related to housing. Owners should be organised in a cooperative in order to reduce administrative procedures and to be able to manage the renovation process independently. The idea is to shift the control and management of the building from the municipality to homeowners. Individual homeowners are not eligible for a grant. In addition, collectively, homeowners can get a bank loan to finance the remaining 50% of the costs more easily. Homeowners' cooperatives contract directly with suppliers.

In order to encourage the setting-up of cooperatives, the municipality provides them with 90% tax discount for 2 years. The city of Riga allocated €500,000 in 2018, €685,000 in 2019 and €1,000,000 in 2020 to the subsidy scheme.

Guaranteed results & post-work monitoring

The one-stop-shop does not guarantee neither the quality of the renovation works nor the achieved energy savings. It can control the construction works in specific cases (e.g. construction works classified as possibly dangerous).

BEHIND THE SCENES: HOW RIGA ENERGY AGENCY DEVELOPED ITS ONE-STOP-SHOP STEP-BY-STEP

Market Gap Analysis

In Riga, almost 85% of inhabitants live in multi-apartment buildings out of which 94% own their home. Around 6,000 multi-apartment buildings which cover almost 75% of the total floor surface were built during the post-war period with poor insulation. Households use 36% of the energy in Riga, they are the biggest energy consumer in the city.

Riga's effort to deal with energy renovation started in 2007 with the establishment of Riga Energy Agency. However, the energy renovation process remains too slow. By 2015, only 68 buildings (1.13%) had been renovated. One of the main reasons is the lack of awareness and unattractive financial instruments.

Other significant factors prevent homeowners to take actions:

- Low energy prices slowing down ESCO activities and private investments due to a long payback period (12-15 years on average);
- The average household is not ready to increase its monthly payments by more than 10% and to invest in energy efficiency without a support from experts;
- Lack of funding for deep renovation: homeowners are most likely to invest in single measures.

Local studies confirmed the need to offer a complete service to guide households, to motivate them to overtake control and management of their buildings, to stimulate energy efficiency measures and introduce a subsidy programme that would increase the popularity of retrofitting works.

Business model

The municipality delegated the task to develop integrated home renovation services to the Energy Efficiency Centre of **Riga Energy Agency**.

In order to coordinate the process, Riga City Council set up a **special commission**, including representatives of big housing companies, Riga City Council financial department, construction bureau, etc.

The one-stop-shop employs four persons, including a program manager and an assistant who coordinate the municipal subsidy scheme, an energy efficiency consultant and a construction work expert.

In order to cover the costs (salaries, marketing, events, administrative costs), the municipality should have around 60 multi-apartment buildings renovated each year. The one-stop-shop is fully financed by Riga City Council and does not generate **any revenues**.

The biggest challenge was to receive financing and get the necessary political support for the development of the one-stop-shop. The city's engagement in the European Covenant of Mayors initiative¹ was a good starting point to convince the City Council.

The one-stop-shop is open to homeowners two days per week, however, homeowners visit every day which creates extra work for staff members and an important visitor flow within the premises. It is estimated that every consultation lasts at least 40 min.

The information provided on the website or in local media was not sufficient, homeowners prefer face-to-face meetings. The municipality is therefore looking for new premises to receive homeowners properly.

1. <https://eumayors.eu/en/>

8 | KAW ARCHITECTEN (THE NETHERLANDS)

Reimarkt, the shop developed by KAW, accompanies the customer from the beginning to the end of the process, until evaluation and aftercare. Through a standardised process and products, it facilitates the homeowner's access to renovation and connects demand and supply in a highly efficient and easy way.

PROJECT ID

One-stop-shop name	Reimarkt
One-stop-shop location	Two physical shops: municipalities of Enschede, Groningen Virtual shops: municipalities of Delft, Den Bosch, Zoetermeer and Hoogeveen (the service area for each shop covers from 0.5 to 3.5 million inhabitants).
Business Model	All-inclusive model
Legal status of the project company	Private company
Project sponsors	KAW Architects, Ten Hag Makelaars, local authorities of Groningen & Zoetermeer, subsidies for development
Types of residential buildings targeted	Single-family houses and condominiums
Cost of energy renovation works in the area	For 2 to 3 measures on one single-family house: €1,500 - 25,000. Housing associations and social renters take on average about 5 measures up to label A. Deep renovations: €35,000 – 75,000 (single-family houses) and €25,000 – 55,000 per apartment for apartment blocks.
Project kick-off	2015 in Enschede
Number of refurbishments performed	Approximately 4,000 homes



LOCAL POLICY OBJECTIVES IN A NUTSHELL

The European and national objective is to have a CO₂-neutral housing stock by 2050. In the Netherlands, this means that over 1000 houses need to be refurbished every working day. The current speed is about 50 per day. Reimarkt is collaborating with local authorities which have more ambitious objectives. For example, Zoetermeer and Groningen aim to be CO₂-neutral by 2035.

WHAT SERVICES DOES THE ONE-STOP-SHOP PROVIDE TO HOMEOWNERS?

Engagement process	✓
Energy renovation and financial plan	✓
Coordination of the renovation process	✓
Long-term and affordable financing	✗
Guaranteed results & post-work monitoring	✓

Engagement process

Every Reimarkt one-stop-shop was launched with an opening event and advertising in the local press. Different marketing strategies – online and offline – are used to reach the final customers. This includes advertising in local and social media (Google advertising, Facebook), letters from the local authority addressed to its citizens as well as presentations in neighbourhoods and site visits. The key messages focus on **quality instead of quantity**. Reimarkt first proved the concept works, then it engaged local ‘ambassadors’, before scaling up. People can learn about the benefits of home energy renovation and, at the same time, see the real example of a similar, refurbished home in their neighbourhood, including the information on associated costs, savings, financing and subsidies.

Energy renovation and financial plan

Homeowners who want to proceed have two paths that lead to an energy renovation plan and a first offer. Either they take the next steps on their own or they get guidance through a Reimarkt online platform or from the advisor:

1. **Quickscan:** in three steps, the customer gets the proposal for smart renovation tailored to his house. The customer can then directly pick one or more global renovation products that are at sale at Reimarkt. This path is suitable for people who have questions like: *Where should I start? Which products fit my case?*
2. **‘My package’:** alternatively, by looking at different products, the customer can compose its own renovation package, knowing the costs and related savings. This path is suitable for people who start with questions like: *I would like to have solar panels: which ones are suitable? I would like to have cavity insulation, how much would it cost?*

All the products proposed by Reimarkt comply with the eligibility conditions for existing subsidies and financing schemes. Within the financial plan, clients get an estimate of monthly costs including possible loan instalments and subsidies. This way, homeowners have a complete renovation plan including cost of suppliers, savings, financing options and subsidies.

Coordination of the renovation process

Every supplier can apply to join Reimarkt. First, Reimarkt performs a screening of basic quality aspects such as insurance. Then the staff explains its working methods to suppliers. If both parties agree to cooperate, they



sign a framework agreement and suppliers align their products, quality control and prices with the framework established by Reimarkt. From the moment when the provider becomes a Reimarkt partner, his products are included in the energy renovation plan. Reimarkt coordinators closely monitor the very first construction works and communication with clients, as experience shows that the reality can differ from the intentions. Reimarkt accompanies the customer through the whole process, from the first contact until evaluation and post-work customer service. Vis à vis the client, Reimarkt is the only contract partner responsible for warranties and quality of the works. However, clients deal directly with the service provider for some parts of the renovation process, such as the planning of renovation works.

Long-term and affordable financing

Reimarkt does not provide its own financial product but cooperates with third parties that provide such services.

Guaranteed results & post-work monitoring

Reimarkt does not guarantee energy savings for measures such as cavity insulation or HR++ glazing. Until now, homeowners have never requested such a service. When it comes to (near) zero-energy products, Reimarkt only cooperates with suppliers which provide a guarantee on energy savings of minimum 70%. Reimarkt's sale conditions describe all guarantees provided on products and works. For example, a warranty is provided on solar panels for about 20–30 years, for insulation about 10 years and other measures vary from 2 to 15 years.

BEHIND THE SCENES: HOW KAW ARCHITECTEN DEVELOPED ITS ONE-STOP-SHOP STEP-BY-STEP

Market Gap Analysis

From the experience of the Dutch '**Energieloketten**' (Energy Desk), a local government initiative that specialises in advice on home energy renovation to citizens, KAW noticed a market gap and necessity to found a company (a one-stop-shop) that was able to **connect demand and supply** and make refurbishment attractive and accessible for homeowners. The key features of the one-stop-shop would be highly efficient processes with an optimal use of available funds and human resources while delivering high quality services to homeowners.

In 2015, Reimarkt started to collaborate with Enschede local government and housing associations. In the Netherlands the definition of '*fossil free*' was fairly unknown and the economic crisis in the building sector was at its highest. Suppliers were therefore more than willing to change their mindset and to help setting up a one-stop-shop in Enschede. The main message for homeowners focused on '**one-step zero-energy renovations**'. Besides that, there were hardly any other examples of one-stop-shop-like companies in the Netherlands. This also meant that, within the building sector, there were no predecessors from whom to learn.

In the meantime, **three significant contextual changes** have occurred in the last couple of years:

1. First, once **the economic crisis ended**, the contractors started to focus more on 'easy' projects meaning social rental homes owned by housing associations rather than focusing on private houses. In this context, Reimarkt focused on developing the value proposition not only for homeowners but also for contractors.

2. **The national political focus** and its translation at the local level have shifted from individual houses to collective refurbishments and from a 'one-step zero-energy renovation' to a 'roadmap towards CO₂-neutral'. The unclear vision of local authorities created investment uncertainty. People are afraid to invest in products that would not comply with the future local government's guidelines and prefer to wait for a clearer political strategy whereas in the past, the main reason was unwillingness to invest at all.

3. There is a **significant increase in initiatives** helping homeowners in the refurbishment process. These are volunteers and private companies repositioning themselves in an energy neutral context, advisors or neighbourhood initiatives. However, most of them only focus on advising and they struggle with connecting supply and demand.

Business model

KAW Architects decided to set up **one-stop-shops branded 'Reimarkt' in six frontrunner cities** that were involved in the 'Energieloketten' initiative. In the very beginning, Reimarkt focused its activities on social housing, in close cooperation with local housing associations. Later on, within the Innovate project, the focus has shifted to private homeowners.

Reimarkt's **value proposition** is to offer homeowners the opportunity to compose their own renovation project – online and offline. Based on the type of their house and financial situation, homeowners gain insight into suitable, no-regret products, costs, savings, available financing options and subsidies. If they are interested, they can easily buy (a part of) the renovation, because Reimarkt connects its products directly with suppliers and related costs. Only then, suppliers spend time with the customers and carry out a detailed technical analysis of the house that can sometimes lead to an altered offer.

Whereas in the traditional process only 1 out of 4 homeowners get to the implementation stage of the project, Reimarkt's **conversion rate reaches up to 80%**, making the refurbishment of existing houses more attractive for all stakeholders.

In traditional processes there is first a check at location, even before an offer is made. This means suppliers/contractors lose a lot of time without having a contract. After the first check, only 1 out of 4 homeowners sign a contract to do the renovation works.

Reimarkt turned this around: by defining products we can make an offer remotely. Only after a contract is signed with the homeowner, there is a check on location. It can occur that there is something we could not know remotely (i.e. a rotten window frame), which sometimes leads to an adapted offer, which needs to be signed again. By having a signed contract before the check, 80% of the checks on-site resulted in renovation.

Example: the conversion rates throughout the process (January-September 2019):

Process	Conversion %
Contact → lead	10%
Lead → offer	35%
Offer → signed offer	22%
Signed offer → renovation works	80% (on average)
Total conversion lead → construction	6%

The conversion rate from marketing to result and the marketing effectiveness (ratio investment to leads) depend on the marketing channel. A presentation of the process and products to homeowners has a rather high effect with a high investment, while social media and Google are less effective, but cheaper. **The one-stop-shop business model is all about finding the right balance between (time) investment, conversion rates and revenue (related to price).** On average, the time spent on each deal is between 10 and 16 hours.

The **start-up and development costs** of the six shops were about €1-1.5 million for the period of five years. Most of it (80%) went into salaries, marketing costs (hardware, software) and shops rental. After founding the first physical shop, Reimarkt had trouble with the return on investment and training of staff for each shop.

Today, **the fixed costs** of each physical shop are on average €300,000 - 375,000 per year. The main budget line is the staff running the shop and selling refurbishments (3-4 full time equivalent). The team consists of at least one shop manager, two advisors and a marketer. Reimarkt Concept, the holding and the R&D team have been supporting all one-stop shops.



Regarding the **revenue streams**, Reimarkt calculated with a **fee of about 10%** of total renovation costs per building. Initially, the hypothesis was that homeowners would spend on average €10,000. In practice, this turned out to be only €5,300, resulting in about €500 fee per renovated dwelling. In order to be viable in this context, each one-stop-shop would need to renovate about 600 dwellings each year, meaning 20 dwellings per advisor or shop manager each month and an additional contribution of about €75,000 per local authority.

The revenue streams of Reimarkt (solely related to selling products of its partner contractors) have been a matter of discussion with supporting local authorities who, as public bodies, needed to ensure **impartiality and fairness** vis à vis the private sector.

Over time, the revenue streams and market positioning have continuously been adapted. As an example: the idea was to start with 16 shops throughout the Netherlands. After founding the first shop, it became clear that it is mainly the partner suppliers and less the homeowners willing to visit who **define the service area of a shop**. Reimarkt needed to reconsider the right area size and potential conversion rates.

Practice also showed that only a specific and rather small target audience – **the elderly and front-runners** – would visit the physical shops. On the other hand, the online shop in combination with accessible offline activities (such as collective product promotions, informative meetings) and collaboration with local authorities and initiatives turned out to be more effective.

That is why it has been decided to close some of the shops. As of April 2020, there are only two remaining physical shops out of the 6 municipalities where Reimarkt operates.

So far, Enschede is the only shop that **generates revenue without the use of public support**. During the first years of operation the shop received public funding from the municipality. Since 2018 Enschede is independent of any governmental support. This is due to the partnership with two housing associations that provide a sufficient volume of renovation works. This means the shop has sufficient work to keep a team present on the ground.



From 2020 on, **Reimarkt will focus on offering all sorts of activities to private companies and local authorities** that contribute to upscaling and speeding up home retrofits in the Netherlands and really maximise the impact of available time and money in retrofit result and happy inhabitants. Practically this means:

- Webinars or meetings to inform homeowners about all kinds of measures and inspire them to act
- Connecting contractors and suppliers to set up a platform (online OSS) for a specific region
- Providing sustainable renovations for housing associations that sell a portion of their houses, so the buyer enjoys a better building. It will also continue developing an online platform connecting demand and supply sides for homeowners and activators (brokers, energy suppliers, local initiatives, local authorities etc.).

In 2020, Reimarkt is also testing **two different business strategies** related to revenue streams:

- **Strategy 1:** As the number of shops has dropped and the new focus lies on effective online and offline activities and local collaborations with initiatives and suppliers, Reimarkt only needs 1.4 full-time equivalent (FTE) to be effective in a specific area. This means that each team needs to secure revenues of at least €30,000. To be viable while maintaining the 10% fee per renovation, about 210 dwellings need to be renovated each year. This strategy is based on deep renovations in no-regret steps, rather than focusing on an 'all or nothing' approach. The objective is to stimulate an overall change of mindsets through examples and ambassadors on the one hand and development of industrialised and standardised deep renovation products on the other hand.
- **Strategy 2:** Another revenue model is being tested in Zoetermeer and Groningen: Reimarkt lets homeowners choose a suitable contractor for each product, based on the quality, costs and availability (the homeowner signs several contracts with different suppliers). In this approach, each supplier pays €35 per renovation measure when accepting the lead. So regardless of the contractor, the revenue remains the same for Reimarkt. This approach requires about 0.9 FTE and some 980 offers accepted by local suppliers for €35 per product, meaning on average €70 per dwelling (homeowners usually implement only 2 to 3 measures).

Key partnerships

Three partnerships were crucial for Reimarkt:

- **The (local) governments:** Not only did these partnerships provide the investment capital. They have also proven to be one of the most effective communication channels towards homeowners. Their reason to invest was their belief that attractive renovation products (not only advice) can activate homeowners.
- **Housing associations** provided Reimarkt with energy renovation volume. This created perspective for suppliers and contractors to invest time in starting up the one-stop-shop. Besides that, refurbishing about 500 dwellings each year created a visible transformation within neighbourhoods, which activated not only tenants but also homeowners.
- Partnerships with **(local) suppliers and contractors** were essential in setting up and upscaling Reimarkt. They are the ones who have embraced a different mindset in offering renovation products and services to homeowners. The quality of these companies, both in terms of work carried out and communication with the customer is crucial for the success of the one-stop-shop.

In 2015–2020, Reimarkt has refurbished about 4,000 dwellings. In 2015, it started with about 500 social housing dwellings and 7 privately owned homes; in 2018 it reached 900 renovations per year.

9 | PARITY PROJECTS (UNITED KINGDOM)

Parity Projects is an energy efficiency consultancy. It provides personalised and unbiased advice for homeowners who wish to renovate their home. In 2012, Parity Projects launched the unique concept of 'RetrofitWorks', a multi-stakeholder cooperative through which around 450 SMEs collaborate and develop delivery models for energy efficient retrofitting. They build on existing local supply chains and services and ensure that wealth, jobs, and skills are retained in the local area. The cooperative model brings the supply and demand side of the retrofit market together; its members include both practitioners seeking work and advocates representing the interests of householders or tenants.

PROJECT ID

One-stop-shop name	Parity Projects & Retrofit Works
One-stop-shop location	London – Ecofurb programme (8.8 million inhabitants) Sussex – Warmer Sussex programme (1.1 million inhabitants)
Business Model	All-inclusive model
Legal status of the project company	Parity Projects is a Limited Company, RetrofitWorks is an Industrial and Provident Society (a Co-operative)
Project sponsors	Parity Projects, Retrofit Works, Department for Business Innovation and Skills, UK Government
Types of residential buildings targeted	Single family houses
Cost of energy renovation works in the area	This depends on the scope of the works, some basic insulation measures will cost as little as £300, external wall insulation around £8,000 and a whole house refurbishment will cost £30,000 or more.
Project kick-off	The scheme had a 'soft launch' in November 2019, with marketing at a low level while they tested and improved their processes and build experience of processes with their installer members. A scaled-up launch is planned throughout 2020.
Number of refurbishments performed	Retrofit Works have done more than 500 renovations in 2017-2020 but the Ecofurb / Warmer Sussex schemes started only in November 2019. Since the soft launch they have produced more than 80 whole house plans, and produced quotes for deep retrofits for around 10 homeowners, with the first quote accepted in late January.



LOCAL POLICY OBJECTIVES IN A NUTSHELL

What are the policy objectives in terms of home energy renovation on your territory?

London and Sussex have an objective of 200 homes deeply refurbished per year.

WHAT SERVICES DOES THE ONE-STOP-SHOP PROVIDE TO HOMEOWNERS?

Engagement process	✓
Energy renovation and financial plan	✓ ✗
Coordination of the renovation process	✓
Long-term and affordable financing	✗
Guaranteed results & post-work monitoring	✓

© Parity Projects



Engagement process

The website is the first contact point. It allows homeowners to get in touch by phone or via the contact form. However, the key aim is to encourage customers to use a web application that Parity has developed and which will provide advice about which measures are suitable for their home. The main reason for this is that most people do not know what is involved in a retrofit, and are **unaware of the scale of costs involved**. This app provides this level of information very effectively and ensures that the homeowners who subsequently contact Retrofit Works are interested and realistic. This is key to their business model.

Before publicly launching the one-stop-shop Parity made sure that their systems worked at scale. Initially, the main focus was the website and social media marketing allowing them to control the level of enquiries.

Energy renovation and financial plan

The next stage is contact with the homeowner. Simple measures such as loft insulation do not require a home visit, and the one-stop-shop coordinator can get quotes from the installer network based on a phone conversation and aerial / street images. More complex projects involve a home survey and a homeowner interview by a Retrofit Coordinator. The home survey contains information necessary for multiple installers to provide quotes without additional visits. Homeowners prepare the financial plan on their own.

Coordination of the renovation process

All installations are coordinated by one of the cooperative's qualified Retrofit Coordinators.

On the one hand, homeowners sign one contract with Parity Projects who provides the one-stop-shop services (incl. the coordination of the process), on the other hand they sign the contracts directly with selected suppliers from Retrofit Works who implement the renovation works.

Long-term and affordable financing

The one-stop-shop does not provide its own financial product because it cannot provide a rate comparable with the market. Parity's research shows that their customers will be able to access finance easily if needed (as they do for extensions etc).

Guaranteed results & post-work monitoring

The installer-owned cooperative Retrofit Works ensures the quality of works that are overseen by a Retrofit Coordinator. They have to comply with a specification that includes gateways where craftsmanship is evidenced by documentation or geotagged photos. The energy savings cannot yet be guaranteed.

BEHIND THE SCENES: HOW PARITY PROJECTS DEVELOPED ITS ONE-STOP-SHOP STEP-BY-STEP

Market Gap Analysis

In the UK and in London and Sussex in particular there have been no schemes of this kind, and installers are few, small and restricted to single technologies rather than a whole house approach. Since 2014 many installers have ceased trading as a result of abandoned government grant schemes, and there is no remit for government or government agencies to provide energy advice or facilitate installations to householders.

Parity's market gap analysis concluded that a wide variety of homes were suitable for retrofit. However, the barriers seemed to be smaller in single family houses, especially where the homeowners were likely to be motivated to do the works for home investment or climate reasons, and likely to be in a position to afford works (with grants being largely absent in the UK). Parity used the market segmentation to identify houses where people can afford the whole house renovation. For example, they look at neighbourhoods where their already existing clients come from and try to identify more clients there.



Business model

Our all-inclusive business model is implemented by Parity Projects consultancy who focus on marketing, advice and IT and RetrofitWorks who manage the installers.

The one-stop-shop **annual running costs** are about £400,000. The staff includes all together about 17 (Parity Projects – 10, Retrofit Works – 7) technicians, analysts, IT, customer relations, communication and marketing experts.

Our **revenue streams** are based on taking a fee from installers in return for marketing, advice and coordination which will provide them with value.

The objective is to find a way for the one-stop-shop to be **financially self-sustaining**. This is a major objective, as we are unaware of any other one-stop-shop with a business model that works **without grants** or other public support.

With the INNOVATE funding we were able to develop a proposition, do some initial development work and build relationships with local authorities and partners. We subsequently secured seed funding from the Department for Business Innovation and Skills, UK Government (BEIS) from November 2018 to April 2021. We have developed IT infrastructure, partnerships and branding for the Ecofurb and Warmer Sussex schemes and we are now running on a trial basis with the launch planned in spring 2020.

Our experience so far shows that **efficiency is what is key** for not making losses. We need to be efficient in a way of engaging customers - reducing costs and increasing conversion at every stage.

The online portal is the key for reducing initial inquiries that would take lots of the advisor's time. It was a big job to develop it in-house but, hopefully, it will be worth it. It is the first of its kind in the UK.

Spending time with households is only worthwhile if we know that a high proportion will install measures through the scheme, and it is especially important where homeowners make only small investments. In order to make the one-stop-shop viable, more **deep renovation projects are required and we need 2-300 installations a year to operate**.

Financial sustainability makes the scheme grow indefinitely, and potentially attracts investment. This will maximise the one-stop-shop impact.

Key partnerships

The one-stop-shop **key partners** are the installer members of the co-op, our partner advocates (who refer to the scheme), local authorities and householders.

Partnerships with the Greater London Authority and with local authorities have been key in getting the one-stop-shop started, and building trust and momentum with installers and partners. **Local authorities are keen to support actions** that result in energy and carbon savings although it is difficult to get their logo on the scheme unless they fund the one-stop-shop.

In general, our key resource is **trust**. This is why we are launching gradually to allow us to scale up our demand as we scale up our installation capacity. We cannot scale up one without the other without losing trust.

In order to overcome the weakness of the Swedish deep renovation market, the Linnaeus University joined forces with a start-up company and homeowners associations. Together they offer an all-inclusive one-stop-shop service to homeowners and help building professionals extending their market share through centralised marketing.

PROJECT ID

One-stop-shop name	One-stop-shop Kronoberg
One-stop-shop location	Kronoberg County (197,519 inhabitants)
Business Model	All-inclusive model
Legal status of the project company	Registered – private limited company
Project sponsors	Klimatfastigheter Småland AB
Types of residential buildings targeted	Single family houses
Cost of energy renovation works in the area	The cost of renovation for one or two measures is about €15,000 – 20,000. A deep renovation of an individual house would cost up to €60,000.
Project kick-off	Spring 2020
Number of refurbishments performed	2 (by the end of 2020)



LOCAL POLICY OBJECTIVES IN A NUTSHELL

Kronoberg County and the associated municipalities do not have a specific renovation strategy for private houses. They follow the **national building regulation** that requires that deep renovation must meet the energy standard of a new construction (maximum primary energy consumption: 90 kWh/sqm/year, as of February 2020).



WHAT SERVICES DOES THE ONE-STOP-SHOP PROVIDE TO HOMEOWNERS?

Engagement process	✓
Energy renovation and financial plan	✓
Coordination of the renovation process	✓
Long-term and affordable financing	✗
Guaranteed results & post-work monitoring	✓

Engagement process

In collaboration with homeowners associations, the one-stop-shop organises a door-to-door campaign and information evenings for homeowners. In the future, we plan to start using social and print media.

When a house is being sold, an independent consultant prepares a house inspection report. This report has a very important role in establishing the very first contact with homebuyers who could be motivated to do a deep renovation and to take advantage of the one-stop-shop services. This is why the one-stop-shop closely follows the consultant reports. So far, we have been able to convince two homeowners to go for deep renovation.

Energy renovation and financial plan

The one-stop-shop develops the plan together with the homeowner and in close cooperation with building professionals.

Coordination of the renovation process

There is a single contract between the one-stop-shop and the homeowner. The one-stop-shop bears the risks and responsibilities on behalf of all involved partner suppliers and it guarantees the quality of works. The one-stop-shop retrofit coordinators manage the whole renovation process on behalf of homeowners.

Long-term and affordable financing

There is no specific national financing scheme available for deep renovation. Homeowners can use their own savings, home mortgage loans or green loans (so far used for new constructions) depending on their credit situation. The one-stop-shop plans to facilitate contact and access to the specific renovation loans that should be offered by its future financial partner Sparbanken Eken (under negotiations).

Guaranteed results & post-work monitoring

Thanks to the contracts signed between the one-stop-shop and suppliers, the one-stop-shop makes sure that the quality of the materials and services provided by various suppliers are of excellent quality. Linnaeus University along with Växjö municipality monitor the work progress for the households that have engaged in the renovation works.

BEHIND THE SCENES: HOW LINNAEUS UNIVERSITY AND PARTNERS DEVELOPED A ONE-STOP-SHOP STEP-BY-STEP

Market Gap Analysis

About 80% of single-family houses in Kronoberg County (especially in the largest city, Växjö) are more than 40 years old and need renovation. At the same time, the **residential energy system in Växjö** is almost carbon neutral due to the biomass-based cogeneration plant supplying district heating, cooling and electricity. However, energy renovation of old buildings would reduce the energy demand and the use of biomass fuel. Especially outside of Växjö municipality, there is a great potential for energy efficiency and emissions reduction in old houses, which are heated with electricity.

However, the **existing regulatory framework does not allow Swedish municipalities to be directly involved** in business propositions, e.g. the one-stop-shop for renovation of privately owned buildings.

In the last few years, the **deep renovation market** in Växjö and Sweden was at a very basic stage despite the huge market potential. Almost no company offered comprehensive deep renovation. This is due to several barriers, which include a non-existent government policy, strategy or incentive for deep renovation of privately owned buildings, except for an energy advisory service for homeowners or national investment subsidy on solar PV.

The Market Gap Analysis revealed key barriers to home renovation on the customer and supply side. Most homeowners are **satisfied with the condition of their house** and they are not aware of the benefits of deep renovation. They shy away from it due to presumable inconveniences of a cumbersome renovation process with multiple contracts and lack of access to capital. On the supply side, the market is fragmented and dominated by a craftsman-based approach **offering individual solutions**. SMEs promote their own products or services with little interest and capacity to undertake deep renovation, not to mention the one-stop-shop philosophy with a single contract for multiple renovation measures and entrepreneurs.



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Business model

Being an academic entity, Linnaeus University could not directly engage in setting up a one-stop-shop but did facilitate its development process in Kronoberg County in collaboration with Växjö municipality, Energy Agency Southeast Sweden, homeowners associations and several private companies. The start-up company **Klimatfastigheter Småland AB** is running the one-stop-shop, with the support of the University.

One of the greatest challenges was to find a player who would engage and start the one-stop-shop business. Despite their interest in the concept, local stakeholders also perceived several risks and limitations. After several months of discussion with various SMEs, the start-up company **Klimatfastigheter Småland AB**¹ started the reflection and decided to test the **all-inclusive one-stop-shop model**.

The one-stop-shop signs a single contract with homeowners and bears all **the risks and responsibilities** on behalf of all involved entrepreneurs. The cost of renovation is comparable to what the market actually offers, however, the works are of higher quality and the services more convenient for homeowners.

The company's mission and **value proposition** is to offer affordable climate-friendly solutions serving many homeowners as a single contact point for various renovation alternatives including energy and deep renovation. Homeowners arrange their own financing.

In its starting phase, the one-stop-shop reaches out to its clients mainly **through word-of-mouth communication** and personal contacts. There is no plan to set up a physical shop, but the idea is to develop an online tool to swiftly provide cost estimates to clients who can easily accept them through their digital bank ID.

Hence, the **fixed costs** do not include the costs related to the set-up and operation of a physical store, but mainly management and administrative costs, product development (incl. identifying partners), communication and IT development. The variable costs of the one-stop-shop will vary from project to project.

The **revenue streams** include a fee charged to homeowners as well as discounts negotiated with the partner suppliers. The idea is that the suppliers **redirect their marketing costs to the one-stop-shop**. The advantage of this approach is on the one hand a better cost control of the renovation works for homeowners and, on the other hand, **access to new customers** for suppliers.

Key partnerships

- Suppliers who work with the one-stop-shop under a consortium model with clear partnership agreements on roles and liabilities for supplied materials and services.
- Independent consultants who develop house inspection reports for houses on sale.
- Växjö municipality promotes the one-stop-shop, offers an independent 'contra-advice' to homeowners and monitors the results. An energy advisor from the Växjö municipality has visited the one-stop-shop clients who have shown interest in deep renovation and provided them with an extra independent advice.
- Real estate broker agencies who conduct post-renovation assessment of the value of a renovated house.
- Banks: the one-stop-shop has started to discuss terms and conditions of a specific renovation loan with Sparbanken Eken.
- Partners get on board as they see deep renovation as an opportunity for more business, more revenues, positive publicity, free advertising and skills development.

1. www.klimatfastigheter.se

As financial barriers prevent homeowners from taking action, a cooperation scheme between the Regional Energy Agency and the Regional Government in Extremadura Region helped set up a new incentive for banks: a guarantee fund which allows banks to provide more attractive loans to homeowners wishing to carry out renovation works.

PROJECT ID

One-stop-shop name	Oficina de Servicios Integrales para la Rehabilitación (OSIR)
One-stop-shop location	Badajoz, Extremadura Region (1.07 million inhabitants) Two more offices are expected to open in Cáceres and Merida
Business Model	All-inclusive model
Legal status of the project company	Extremadura Regional Energy Agency (AGENEX)
Project sponsors	Regional government
Types of residential buildings targeted	Single family houses and condominiums
Cost of energy renovation works in the area	Single family houses: €25,000 Condominiums: €100,000 (whole building)
Project kick-off	Spring 2020



LOCAL POLICY OBJECTIVES IN A NUTSHELL

The Regional Government of Extremadura has not set any specific objectives in the field of energy renovation. However, the overarching policy goals are to:

- Reduce the energy consumption and CO₂ emissions in the housing sector.
- Mobilise the construction and ESCO sectors in Extremadura region.



WHAT SERVICES DOES THE ONE-STOP-SHOP PROVIDE TO HOMEOWNERS?

Engagement process	✓
Energy renovation and financial plan	✓
Coordination of the renovation process	✓
Long-term and affordable financing	✓
Guaranteed results & post-work monitoring	✓

Engagement process

In collaboration with the Regional Association of Buildings Property Managers, the one-stop-shop OSIR implements a communication and marketing strategy. This also includes mail campaigning targeting pre-identified buildings. Building property managers play a key role in the engagement process as they carry out feasibility studies for the condominiums they manage and organise information meetings with homeowners.

Energy renovation and financial plan

In the framework of a first pre-contract signed between OSIR and the building property manager (or homeowners if they directly contact OSIR), the one-stop-shop conducts a feasibility study for deep energy renovation of the building. Homeowners can select one or several energy renovation measures from a catalogue developed by the one-stop-shop. The catalogue consists of two parts:

- Improvement of the building envelope: roof and/or façade insulation, windows, a system preventing overheating of the building, etc.
 - Improvement of the building facilities: replacement of HVAC systems, heating systems, sanitary hot water systems, improvement of lighting system, elevators, integration of renewable energy systems (mainly PV).
- The feasibility study includes the 'best energy saving potential' scenario which defines a roadmap to a global renovation. OSIR always recommends this scenario, even though the final decision is taken by homeowners, considering their financial situation.

Coordination of the renovation process

If the homeowner opts for the 'best energy saving potential' plan, a new contract is signed between OSIR and the building property manager or directly the homeowner. At this stage, OSIR will help the homeowner with the private procurement to select the architect/engineering company that will prepare a more detailed energy renovation plan and that will carry out the renovation works. The contract includes all legally binding services provided by the company: renovation measures, achieved energy savings, operations and maintenance services. The contract duration is approximately 1 year, the time needed to implement the works and monitor the results (incl. energy savings).

Long-term and affordable financing

One of the OSIR key features is the regional guarantee fund that will allow commercial banks to offer more advantageous loans to homeowners willing to carry out renovation works: interest rates below current levels offered by commercial banks and a loan maturity over 12-15 years.

The fund was set up by the Extremadura Regional Government with the support of AGENEX and other regional and national organisations using the regional and the European funds (the European Regional Development Fund). Once the guarantee fund is operational, the bank loans will be compatible with the existing national or regional grants.

Guaranteed results & post-work monitoring

OSIR is not responsible for checking the implemented renovation works. In Spain, this role is assigned to the so-called "Works direction body" which is hired by the architect/engineering company. This company is also responsible for hiring the construction companies and suppliers. However, OSIR agrees with the company on the expected energy savings (performance measurement and verification protocol). The one-stop-shop can retain a fee from the company if expected energy savings are not achieved. Homeowners can also directly hire the architect/engineering agency. In this case, OSIR plays the role of an external advisory body.

BEHIND THE SCENES: HOW AGENEX DEVELOPED ITS ONE-STOP-SHOP STEP-BY-STEP

Market Gap Analysis

The Market Gap Analysis in Extremadura region reveals that one of the biggest challenges is to change the users' behaviour related to energy consumption. Homeowners are not aware of the benefits of energy renovation. Moreover, they face important financial barriers – high investment costs with long payback period, with no possibility to take a specific energy renovation loan and unattractive grants. Therefore AGENEX set two priorities for its one-stop-shop:

- Increase homeowners' awareness related to the benefits of home energy renovation;
- Set up a financial instrument to facilitate investments.



© AGENEX

Business model

The OSIR one-stop-shop was planned as a unique contact point where homeowners could get guidance on deep energy retrofitting. In the beginning, it was meant to address single family house owners. However, the market gap analysis revealed that **the biggest needs and potential for retrofitting lie in condominiums**. OSIR has therefore decided to expand its focus to this building type.

In the first phase, the OSIR **development costs** were borne by AGENEX that also benefitted from the EU funding. AGENEX provides an office and human resources for the one-stop-shop. The staff is mainly composed of architects and engineers with expertise on energy efficiency in buildings as well as marketing and IT experts, sales staff and financial advisors on grants and loans.

In the second phase, the Regional Government will provide support to the one-stop-shop activities.

AGENEX does not aim at making **profit** from OSIR activities.



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