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# FREDERIKSHAVN MUNICIPALITY (DENMARK)

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

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

<b>Engagement process</b>	✓
<b>Energy renovation and financial plan</b>	✓
<b>Coordination of the renovation process</b>	✓
<b>Long-term and affordable financing</b>	✗
<b>Guaranteed results &amp; post-work monitoring</b>	✓

### 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.