



## ***Headlines from Energy Plus Think Tank***

### ***Keeping the home fires burning and the lights on: Helping landlords and tenants to save energy and costs September 13<sup>th</sup>-14<sup>th</sup> 2016***

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1. **Focusing on the existing housing stock** is crucially important, as it offers by far the biggest share of properties. The problems and complexity of retrofit must be balanced against the disruption and costs of demolition. Retrofit should be the **default option** as it often only involves envelope work e.g. Edward Wood estate in the London Borough of Hammersmith and Fulham.
2. Many social housing tenants are struggling to pay their bills. 45% of tenants in social housing are in the lowest 20% of income bands, while 10% are in fuel poverty. It makes sense for social landlords to focus on energy efficiency as it resonates strongly with their **social ethos**. Investing in district heating schemes, setting up a community energy company and retrofit are all ways in which social landlords can help their tenants save money on their energy bills.
3. We need to make the **business case** for energy saving and renewables. The benefit to the landlord is as great as to tenants e.g. it picks up repairs; improves the stock; makes housing last longer and be more popular; while reducing rent arrears and void costs. Energy efficiency is usually considered separately from stock condition, but we need to make the links between property values, repairs, energy efficiency, tenant arrears, health, fuel poverty etc.
4. People need to understand **how much they can save and gain** thanks to energy efficiency improvements to their homes. Manufacturers can help people realise the value of technology e.g. heat pumps. We also need to spread the word that solar panels now 'over-perform' i.e. pay for themselves without subsidies.
5. There are **wider economic benefits** from energy efficiency. Retrofit is labour intensive and as such it offers supply chain training and expands capacity. This creates a rationale for focussing on the North first, due to lower employment and a more urgent need for jobs. There are also **infrastructure benefits** from energy efficiency, so we must link energy investment to long-term asset management.

6. Government policy seems rather directionless with frequent “**policy flip flops**”, and yet stronger governance is needed. The Climate Change Committee is helpful as it holds government to account, and BEIS seems now more joined up, but we need an **enduring policy framework** and a **long term vision** to meet the UK’s ambitious carbon reduction targets.
7. The **Welsh government** has introduced legislation which forces all landlords to comply. As a result, Welsh standards for decent homes are much higher than in England, and there is a bigger role for social landlords to play. The Future Generations Commission Act (Wales) forces people to think preventatively.
8. We need to be **ambitious** if we want to halve our energy use over the next 20 years. Arup have devised a whole stock retrofit plan for the UK over 20 years, showing that retrofitting all our buildings can save up to 10 Hinckley Points. For this to become a reality we need to create **demand at scale** with bulk schemes - a £1million contract “makes a scheme viable”.
9. One of the biggest challenges is to overcome the **silos** in place in most organisations. New build and retrofit departments both deal with broadly similar issues of energy efficiency but they work in different teams often with minimal contact. These disjointed operations constitute a barrier. **More joint working** within housing organisations would help.
10. The quality and accuracy of installation is very important so we need **stronger quality checks**. More **robust monitoring frameworks** are needed as social landlords can fail on monitoring standards e.g. up to 50% of properties may be missing from records in a single organisation.
11. There are too few people on the ground. To build up the scale of investment, we need a constant **supply of skilled workers** and constant demand for work.
12. Too often retrofit work is **poor quality** and not well executed. There is a need to **up-skill the workforce** and train new people for the job to create a supply chain which is up to the task. **Apprenticeships** are a way for social landlords to build skills in-house. **Close supervision and pro-active on-site management** make a big difference.
13. We need **funding** for project work. Cuts in community support in housing associations make this more difficult. With staff cuts and low morale, it’s much harder to get things done – cuts are biting and the 1% rent cut is squeezing budgets.
14. **Rigid, set rules cannot be applied to varied stock** and conditions, and each retrofit case needs to be tailored to the actual situation, but there is a lot we can **learn from each other’s experiences** and from international best practice.
15. The **Energiesprong approach**, which entails ‘whole house, whole street’ retrofit through thermal ‘wrapping’, window replacement and basic repairs linked to energy efficiency measures, seems to work in Holland but requires landlord leadership, expertise and economies of scale. When property over-shoots predicted performance thanks to retrofit, the meter runs backwards and tenants get credited with energy gains.