

Headlines for Housing Plus Academy policy workshop

A Climate Crisis and a Housing Crisis: What can social landlords do to help?

29th October, London School of Economics

1. The climate emergency and the responsibility of landlords

- There is overwhelming evidence about the reality of climate change with many signs of its impact now playing out before our eyes.
- We need to act now if we are going to slow climate change. 270 councils across the UK have declared a climate emergency with a commitment to becoming carbon neutral by 2030. But this requires a radical change of direction and action now.
- To slow climate change we need to make significant changes to the built environment, which currently accounts for 50% of carbon emissions if we include the carbon impact of materials used, methods of construction, and supply chains. At the moment, one-third of building materials are wasted. There is lot of potential for improvement in the social housing sector. Currently, almost half of social rented homes do not reach a minimum energy performance of level C.
- 95% of existing homes will still be standing in 2050. To meet the minimum energy reduction targets, we need to invest in the existing stock through retrofitting. England has some of the worst environmentally performing stock in Europe.
- The Decent Homes Standard succeeded in improving the standard of existing social rented homes, but the standard now needs to include higher energy saving and thermal efficiencies.
- Many people do not understand what is meant by zero carbon homes. Zero carbon does not mean that there can be no use of carbon. It means that the energy a home uses in running heating, hot water, cooking, fridges, lighting etc. is as low as possible and relies as fully as possible on renewable energy. Clearer definitions would help landlords to understand what they are trying to achieve, and what is not being achieved e.g. using sustainable building materials.

2. Retrofitting social housing is crucial in saving existing stock and protecting the environment

- Improving the energy efficiency of existing homes can be achieved through a “whole house” retrofit or through incremental upgrading. If resources are available then a full retrofit can reduce energy use up to 90%. Retrofit uses about one tenth of the materials needed for new build.
- For a retrofit project to be successful the work needs to be carried out to a high standard, with skilled workmen. It is important that all work is checked after completion, and that councils and housing associations enforce high standards on contractors. Contractor training is vital.
- Retrofitting can prove challenging on older and listed buildings. The needs of the tenants to live in warm, well ventilated homes is balanced against preserving the appearance of the building. Architects and planners need to work closely together to ensure that this balance is achieved. In Port Sunlight, a listed industrial village outside Liverpool, the planners and architects agreed on specific works people could carry out in their homes to improve the thermal efficiency without having to go through planning, thus avoiding the complications of case by case listed building consent.

- For a retrofit project to be successful tenants need to understand how to use new and sometimes unfamiliar systems to heat and ventilate their homes, as often new systems are installed in the retrofitted house.
- There is widespread pressure from tenants to improve the energy efficiency of their homes. This was reflected in the resident engagement events that were organised across the country in 2018, laying the ground for the Social Housing Green Paper.

3. The cost of retrofitting homes

- It is a major challenge to fund high quality retrofit work that is affordable. Landlords pay for the work but tenants see the benefit through reductions in bills and much greater warmth. Energiesprong is a Dutch retrofit initiative that saves money and save energy by retrofitting blocks, flats, streets or groups of similar houses, thus significantly reducing costs per home and greatly improving the comfort of residents. Energiesprong helps the provider make money back on the energy efficient investment whilst ensuring the tenant still has a reduction in energy bills.
- The more retrofit work that is carried out the cheaper it will become. The social sector is a good place to start as social landlords generally own properties in clusters (small clusters as well as large estates).
- It is important to deal with “fabric first” i.e. improve insulation of a property before doing other things such as supporting renewable energy. When making a home more energy efficient the solution needs to be affordable for the tenant, for example simply switching from gas to electricity will increase the potential for a renewable energy supply but could also increase the tenant’s bills.

4. Retrofit vs Demolish?

- Retrofitting is far less damaging to the environment than demolition and rebuilding due to the high embodied carbon of the existing stock. Bricks, glass, slate, steel and concrete are all highly energy intensive to produce. We also have limited supplies in the natural environment. It would take 40 years for even the most energy efficient new home to offset the carbon cost of demolition and new build.
- The cost of retrofitting is normally cheaper than the full cost of demolition and rebuild, even for homes in need of intensive renovation. Retrofitting existing homes preserves the supply of social housing units and it keeps the community together, with less disruption to tenants’ lives.
- In any regeneration project it is important to involve tenants at every stage and ensure their views are taken into account in every decision.
- Landlords and developers deploy many arguments in favour of regeneration involving demolition and rebuild. The new homes built for private sale and sometimes private rent are high quality and expected to fund regeneration and new, better quality social rented homes. However there are countless cases where the regeneration scheme fails to deliver on its promise and many social homes are lost. There are many barriers to integrating the very different economic and social groups. New build areas are often divided by tenure.
- There are alternatives to demolition which allow the work to be funded without a loss of social housing. For example, Kettering Council had many 3 bedrooms flats which were under occupied. They retrofitted the stock and divided the properties up into 1 and 2 bedroom flats, some of which were sold to fund the work and support retrofitting work on existing units.

5. Simple changes can make tenants' homes more energy efficient and contribute to combating climate change

- Changing the energy supplier of a home can contribute to renewable energy supply. On Lancaster West Estate in the Royal Borough of Kensington and Chelsea, and at Women's Pioneer Housing, all void properties are switched over to a more sustainable energy supplier, which continues to provide supply when they are reoccupied. Switching to low energy appliances such as fridges, cookers, washing machines etc. and installing LED lights can also make a big difference to energy use, energy saving, and energy bills.
- Controlling radiator thermostats, keeping temperatures at a lower level in bedrooms and hallways, not wasting water, switching off appliances and lights, etc. can all reduce bills.
- Fuel poverty has a negative impact on health. Addressing it in many small ways can make a big difference to people's quality of life.

6. Role of green spaces

- Green spaces play a key role in slowing climate change. It is important for landlords to make the most of existing green spaces, for example wildflower planting on unused bits of land.
- Where there isn't much green space available, planters, window boxes, hanging baskets and pots can be used to great effect, and indoor plants are also beneficial for wellbeing.
- Scraps of land, verges, front gardens, pavements and balconies can all be used for plants and pots.
- Green spaces and community gardens also help bring the community together and can help improve people's wellbeing.

7. Key recommendation to Government

- There needs need to long term funding from government to support social landlords in making stock more energy efficient and ensure this doesn't clash with other funding priorities.
- Social landlords need incentives to retrofit rather than to demolish and rebuild. Currently there is a 20% VAT charge on renovation and repair compared to 0% VAT for new build. Many energy efficiency measures are charged at 5% VAT.
- There needs to be a clear enforceable standard of thermal efficiency that all homes should meet by 2030.
- As well as improving social housing, higher standards are needed for the private rented sector to ensure all homes are of a high quality.
- Mandatory training programmes, required qualifications and certification should be established for all builders and contractors so that builders have the necessary skills to carry out energy efficient retrofit, and understand the importance of this work, with clear expectations of a high quality outcome.

Examples from the workshop of good practice in upgrading housing

Moat Homes- Energiesprong

- Moat Homes carried out an upgrading project on five of their worst performing properties using the energiesprong model.
- Energiesprong is “whole house refurbishment and new build standard and funding approach” creating homes that people want to live in.
- The comfort plan ensures the property meets certain standards and that the tenants are saving money.
- The project added:
 - Ground source heat pumps
 - External wall insulation
 - Solar panels
 - Triple glazed windows
 - Under floor insulation
 - Monitoring equipment
- The work has cut emissions from the houses by 90%.
- Moat has done a lot of work around engagement with tenants ensure they know how the new systems work.
- The project had EU funding and it would have been hard to carry out without it.

Southern Housing - Upgrading listed estates

- Southern Housing own a Grade 2 listed six-storey estate in Islington. The estate looked very attractive but had high levels of fuel poverty.
- The estate is a big challenge to upgrade as Southern could not change the appearance of the building.
- They added secondary glazing to sash windows which improved thermal efficiency but created problems of condensation.
- Southern set up the Energy Advice Team which offered face to face support to teach people how to properly heat and ventilate homes.
- They are installing internal wall insulation.
- The work has led to few complaints about energy inefficiency and the condition of the flats.

Riverside – a people centred approach to upgrading

- Work was carried out across 250 units in a deprived area of Liverpool known as the Lake Streets where 49% of the children are living in poverty.
- The housing association plays an important role in sustaining the community. Due to austerity, there has been a reduction in community work. This needed to become a priority again to ensure these estates remain viable.
- Riverside carried out work on the properties, adding window and wall insulation a couple of years ago, but this wasn't carried out properly and has caused additional problems of damp and mould.
- Riverside have set up an Income Maximisation Team which is working with every tenant on the estate.
- They are investing £1.2 million on the outdoor space, such as repairing the outside of houses.
- When upgrading an estate it's important to think about the tenants living on the estate not just the physical assets.
- The work has led to an increase in customer satisfaction

Portsmouth City Council – Retrofitting a high rise estate to EnerPhit standard

- Work was carried out on Wilmcote House, a large bison REMA concrete panel building in the Somerston area of Portsmouth. . It's made up of three 11 storey blocks of mainly three-bedroom maisonettes and seven one bedroom flats.
- The building was retrofitted to EnerPhit standard in order to:
 - Tackle fuel poverty
 - Improve residents health
 - Save money on day to day repairs
 - Future proof Wilmcote House for another 30 years
 - Reduce rent arrears
- The £12.9 million regeneration project, costing about £150,000 per flat, was fully funded by the council and was justified as cheaper than the cost of demolition and rebuild.
- All the work took place with the residents in situ.
- Overall flats are warmer, more comfortable and attractive, and draughts and mould have been excluded. Most residents use the radiators less and when they do the heat is retained.

Orbit Earth

- Orbit Earth was set up as the main vehicle for Orbit's environmental strategy.
- It aims to:
 - Make Orbit a low carbon business
 - Create a sustainable supply chain
 - Make Orbit a positive contributor to biodiversity and increase green spaces
- They are working to increase green spaces and biodiversity. In all new build areas they are landscaping the estates to include more green areas. On areas of plane grass they are planting wildflowers to increase biodiversity.
- Green spaces and gardening help improve tenant's wellbeing and can help engage tenants and build communities.
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Lancaster West Community Garden

- A tenants' group at Lancaster West asked for the keys to an unused locked garden/courtyard to set up a community garden.
- The garden has brought people together of all generations.
- Tenants set up a Hot Box composting system which five people put their compost into each week. They have calculated that if everyone on the estate composted their food waste it would stop 24 cement mixers worth of food going to landfill each year.
- The garden has allowed the tenant organisers to build relationships with young people who are engaged with gangs and drug dealing, including conversations around stopping dealing on the estate and around the garden.

Lewisham Homes

- Lewisham Homes manage 19,000 homes on behalf of the council, making them the biggest social housing provider in the borough.
- Lewisham Council have declared a climate emergency and made a commitment to become carbon neutral by 2030. Improving the housing stock will be important in achieving this.
- They have suspended their current asset management strategy in order to include better climate change measures. Retrofitting will be the main route to improving the stock.
- Lewisham have stopped installing gas boilers in new build homes.

- Lewisham Homes are considering a range of options including installing ground source heat pumps.
- Lewisham Homes is seeking to incrementally modernise its fleet of vehicles and work vans, making as much use of electric vehicles or hybrids as is practicable.