

Funding for energy efficiency upgrades will slash fuel bills for 20,000 social housing properties

- 20,000 social housing properties across England will receive energy efficiency upgrades as government announces £179 million cash boost
- funding for 69 projects will help cut fuel bills for social housing tenants and deliver warmer homes
- upgrades will support around 9,000 green energy sector jobs and deliver emissions savings equivalent to taking up to 6,000 cars off the road in any given year

Tens of thousands of social housing tenants across England will have their energy bills cut and homes made warmer as the government makes £179 million available to improve energy efficiency.

The funding announced today (Monday, 7 February) will see 20,000 social housing properties with an Energy Performance Certificate (EPC) rating of D or lower receive upgrades to improve their energy efficiency and reduce carbon emissions. This includes fitting external wall and roof insulation, energy efficient doors and windows, heat pumps and solar panels.

Upgrades are expected to be completed by the end of March 2023, supporting thousands of lower income and more vulnerable households.

The cash boost forms part of the government's £3.8 billion Social Housing Decarbonisation Fund which will bring a significant amount of the social housing stock currently below EPC C up to a higher standard.

It has already supported 2,100 households through a demonstrator scheme, delivering warmer homes, reducing fuel bills, tackling fuel poverty and supporting green jobs.

Minister for Business and Energy Lord Callanan said:

The UK has a strong track record in improving the energy performance of its homes and this funding will continue that as we deliver huge benefits for social housing residents – ensuring they keep more of their cash.

The £3.8 billion we're investing through the Social Housing Decarbonisation Fund is helping drive down energy bills for thousands, targeting help to those who need it most by making their homes warmer, more comfortable and greener.

Today's announcement sets out the 69 projects that have been allocated the

financial support in the first wave, with funding allocated to local authorities who, together with social housing providers, will deliver them.

Around 9,000 jobs in the green energy sector will be generated as a result, with the funding expected to deliver carbon emissions savings equivalent to taking up to 6,000 cars off the road in any given year.

Huge progress is already being made to increase the energy efficiency of UK homes. In 2008, just 9% had an Energy Performance of C or above, however it is now at 46% and rising, with the social housing sector up from 18% in 2008 to around 66%. Energy efficiency improvements are one of the most effective ways to save money on energy bills at a time of rising global gas prices.

The SHDF Wave 1 funding builds on the success of a £61 million demonstrator project launched in October 2020, which improved the energy efficiency of thousands of social homes – cutting bills for tenants and supporting around 1,200 jobs.

Delivery of Wave 1 funding is designed to encourage social housing providers to improve the least energy-efficient homes first and ensure that heat loss prevention measures, such as insulation, are installed effectively and to a rigorous performance standard. It will also ensure energy efficiency measures installed are chosen in a way that minimises the potential for them having to be replaced in the future.

National Housing Federation Chief Executive Kate Henderson said:

We warmly welcome the announcement of the first Social Housing Decarbonisation Fund recipients. Alongside helping us to achieve our crucial net zero target, this will mean warmer, more comfortable homes for social housing residents, and importantly help to protect them from rising energy bills.

Housing associations are committed to working with government to upgrade the nation's social housing stock, and this fund will play a vital role in this.

Tracy Harrison, Chief Executive of Northern Housing Consortium:

Readying our homes to achieve net zero is a key priority for Northern Housing Consortium members, and we therefore welcome the news that Wave 1 of SHDF funding will support the retrofitting of approximately 7,800 Northern homes.

We urgently need to build on this and look forward to continuing to work with the government to improve the energy efficiency of homes in the North.

The funding is part of the £6.6 billion the government is investing this

parliament to decarbonise buildings, of which over £2 billion is aimed specifically at lower-income households, helping to reach our world-leading climate ambitions, whilst saving people money on their energy bills.

It also follows the government's announcement last week of a £9.1 billion package of support to help households with rising energy bills. This includes a £200 discount on household energy bills this Autumn for domestic electricity customers in Great Britain, which will be paid back automatically over the next 5 years.

There will also be a £150 non-repayable rebate in Council Tax bills for all households in Bands A to D in England and £144 million of discretionary funding for local authorities to support households who need support but are not eligible for the Council Tax rebate.

These new measures are on top of the existing £12 billion support the government is providing for the cost of living this financial year and next. This includes reducing the Universal Credit taper rate, raising the National Living Wage, freezing alcohol and fuel duties and providing targeted help with energy bills.

The SHDF is a £3.8 billion government commitment over a 10-year period to improve the energy performance of socially rented homes. Today's announcement marks the projects that have been successful in their bids for the first wave of funding.

Regional spread of SHDF Wave 1 funding:

- London, £23,708,238
- Southwest, £5,024,842
- Southeast, £8,608,446
- East of England, £27,323,006
- West Midlands, £23,208,418
- East Midlands, £ 27,760,477
- Northeast, £14,177,002
- Northwest, £26,309,473
- Yorkshire and the Humber, £22,573,272

In the [Heat and Buildings Strategy](#) and [Net Zero Strategy](#), it was announced that £800 million has been committed for the Social Housing Decarbonisation Fund as part of the 2021 Spending Review process across the next 3 years.

This brings the total committed funding for the SHDF and associated demonstrator to just over £1 billion so far representing a significant investment that will drive the decarbonisation agenda across this important sector on the pathway to net zero.

The SHDF Wave 2 competition will launch in the next financial year, with more details on Wave 2 being made available over the coming months. We encourage those considering applying to begin preparing now.

The Technical Assistance Facility (TAF) will continue to be funded under the name Social Housing Retrofit Accelerator, with our new partner, Turner and

Townsend. This service will provide technical support for social housing landlords interested in accessing SHDF funding, including project development, bid compilation and technical advice.