

Government boosts energy efficiency spending to £1.3 billion with extra funding for green homes

- £300 million extra funding for green home upgrades, bringing total spending on energy efficiency measures to £1.3 billion
- New funding delivered through local authorities in England will help lower income households to cut emissions and save money on bills, helping country to build back greener
- Green Homes Grant voucher scheme to close on 31 March 2021

£300 million of extra funding is to be invested to cut greenhouse gas emissions from the nation's homes through energy efficiency and low carbon heating schemes.

The funding will focus on delivering energy saving upgrades and low carbon heating to homes through local authorities in England, meaning tens of thousands more low-income households will be able to be upgraded.

The Green Homes Grant Voucher Scheme launched last year will close to new applications on 31 March at 5pm. The scheme was designed to provide a short-term economic boost while tackling our contribution to climate change. Applications made before the end of March deadline will be processed.

Today's announcement takes the total government funding for energy efficiency and low carbon heating in 2021/22 to over £1.3 billion, with the remainder of the funding having been pledged through the decarbonisation fund. This is up from the £1 billion announced in the Prime Minister's Ten Point Plan and exceeds the Government's manifesto commitment in these early years of the parliament.

Home upgrades can help households save over £300 a year on their energy bills. This announcement is part of the Government's manifesto commitment to pledge over £9 billion to increase the energy efficiency of homes, schools and hospitals to work to build back greener, which will support around 58,000 jobs.

Business Secretary Kwasi Kwarteng said:

The Green Homes Grants play a vital part in cutting carbon emissions from the country's homes and helping save people money on their bills.

Today's funding boost will mean even more households in England can access this scheme through their local authority.

This takes our total investment in 2021/22 to over £1.3 billion and

gives installers the certainty they need to plan ahead, create new jobs and train the next generation of builders, plumbers and tradespeople.

The original £500 million Green Homes Grant Local Authority Delivery Scheme is already helping around 50,000 households in England with an annual income of under £30,000 save hundreds of pounds each year on their energy bills by making their homes more energy efficient.

Through the extended scheme, tens of thousands more households on incomes of less than £30,000 will not have to make any financial contribution to energy efficiency improvements to their homes.

Delivered through the Green Homes Grant Local Authority Delivery Scheme and Social Housing Decarbonisation Fund Demonstrator, this will include green home improvements such as deep insulation, heat pumps and solar panels, helping cut over 70,000 tonnes of carbon from the atmosphere each year.

Through the Prime Minister's Ten Point Plan for a Green Industrial Revolution and the Energy White Paper, the Government has set how it plans to decarbonise the nation's buildings, including its aim to deploy 600,000 heat pumps a year by 2028, and to get as many homes as possible to Energy Performance Certificate Band C by 2035.

Decarbonising the country's roughly 30 million buildings is essential if the UK is to meet its commitments to eliminating its contribution to climate change by 2050.