

Warmer, greener and cheaper homes as government opens a triple win upgrade for social housing

- this investment will help tenants cut emissions while saving around £170 per year on energy bills
- part of wider £9 billion commitment to increase the energy efficiency of homes, schools and hospitals – driving forward the Prime Minister's ambitious 10 Point Plan for a green industrial revolution

Tens of thousands of people across England are set to benefit from warmer, greener social homes, with social housing providers given the chance to bid for government funding to make major improvements to their stock.

Local authorities and housing associations across England will have the chance to secure a share in a significant £160 million cash injection through the government's [Social Housing Decarbonisation Fund](#), set to enhance the country's energy efficiency of socially rented homes.

In total, through this first wave of funding, up to 38,000 of the UK's worst energy-performing social housing properties – with energy performance certificate (EPC) ratings of D or below – will have the chance to receive vital energy efficiency upgrades, including installation of insulation and more energy efficient doors, windows and heating systems.

This investment will help tenants save around £170 per year on energy bills, while making their homes warmer and reducing carbon emissions.

Today's is the first wave of funding out of a total £3.8 billion to be spent over a 10-year period – with the aim of improving homes across the country to be cheaper to run, more energy efficient and fit for the future.

And with homes accounting for 15% of the UK's carbon emissions, the investment will also help towards eliminating the country's contribution to climate change by 2050.

Minister for Business, Energy and Corporate Responsibility, Lord Callanan, said:

Today's announcement is a vital step forward in eradicating UK fuel poverty and improving the lives and homes of low-income households, all while creating new work for local plumbers, builders and tradespeople who will be building homes fit for our greener future.

With a real appetite among councils and housing associations to make their homes cheaper to heat and warmer to live in, this investment is putting the power in the hands of the people who know their communities best, allowing the right decisions to be made for

each home they manage while ensuring the very best for their tenants and the environment.

Taken together the funding will ensure that the government is achieving its aspiration to ensure as many homes as possible reach EPC Band C or above by 2035 in a way that is practical, cost effective, and affordable.

Mrs Vivienne Challice is an example of the tenant that social housing providers will be able to help through this scheme.

Mrs Challice, 79, has lived in a [Clarion Housing Association](#) property on the outskirts of Tonbridge for 49 years. Her home was one of the first to be upgraded thanks to the Social Housing Decarbonisation Fund Demonstrator and the work is now complete, with Clarion estimating that she will save more than £500 on her energy bills each year.

Mrs Vivienne Challice said:

Whilst work was being completed, I was visited every day by the resident liaison officer to check in, and the team on site have been brilliant. They have explained what was happening and how long it would take, and I appreciate how much work has been done to my home.

The weather hasn't been cold since the work was completed, and even on hot days, I noticed that my home was comfortably cool unlike before, which was great.

Councillor Samantha Hoy, Fenland District Council's Cabinet member for Housing, said:

We are extremely proud to be playing a part in this fantastic project, working alongside our partners Clarion and Tonbridge and Malling Borough Council to help improve the energy efficiency of social homes and to pilot new and innovative ways of working.

It's really exciting that the first property in Fenland has now been completed and we can't wait to see work start on the other homes across the district. The retrofit measures, including solar panels and insulation, will cut carbon emissions and give residents more money in their pockets from cheaper energy bills. Local businesses are also considering how they can take advantage of this opportunity to diversify the sector and convert at scale to help meet the national targets for energy efficiency.

This comes as emissions from domestic properties currently account for around 20% of the UK's carbon output.

Today's announcement is the latest step in the government's plan to reduce emissions from social homes, a priority area for the government to help eradicate fuel poverty and reach net zero carbon emissions by 2050.

The government also plans to invest over £9 billion to increase the energy efficiency of homes, schools and hospitals, while supporting 50,000 jobs by 2030 and installing 600,000 heat pumps every year by 2028 – driving forward the Prime Minister's ambitious [10 Point Plan for a green industrial revolution](#).

Social Housing Decarbonisation Fund (SHDF) Demonstrator Phase

Wave 1 of The Social Housing Decarbonisation Fund follows an earlier [demonstrator phase](#) launched in March 2021, which awarded £62 million to projects across England and Scotland which will look to upgrade c. 2,300 socially rented homes to demonstrate innovative approaches to retrofitting social housing at scale, using a whole house approach.

An example of success out of the demonstrator phase includes Fenland District Council and Tonbridge and Malling Borough Councils who secured £4.5 million from the Social Housing Decarbonisation Fund (SHDF) Demonstrator, run by the Department for Business, Energy and Industrial Strategy, to improve the energy efficiency of social housing. The grant was match funded with a further £4.5 million investment from Clarion Housing Group, the largest social landlord in the country that owns and manages thousands of homes across the 2 local authorities.

The funds are being used to significantly upgrade 115 of the most energy inefficient Clarion homes in Fenland and Tonbridge and Malling, which currently have an EPC rating of D or below. As a result, carbon emissions will be reduced, and it is expected that those living in upgraded properties will save between £300 and £500 on their energy bills each year. Clarion estimates that the project will also generate 68 jobs and apprenticeships in the green energy sector by employing local sub-contractors and installers.

Notes to editors

The SHDF Wave 1 Competition will launch 23 August and run for 8 weeks until 15 October 2021. Successful applicants will be announced in early 2022.

[Find out more about the competition.](#)

Accessible via: www.socialhousingretrofit.org.uk

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A Technical Assistance Facility (TAF) has been established to provide technical support for all social housing landlords interested in accessing funding from the Social Housing Decarbonisation Fund. It will help with stock analysis; bid compilation and technical advice.

This technical assistance is being delivered by the Greater London Authority under the name of the Social Housing Retrofit Accelerator (SHRA) which is available to all registered providers of social housing across England who intend to apply to the SHDF Wave 1 competition.

The government has committed to a £3.8 billion Social Housing Decarbonisation Fund over a 10-year period to improve the energy performance of social rented homes, on the pathway to Net Zero 2050

Another way in which the government is improving energy efficiency of is through the [Sustainable Warmth Competition](#), launched in June 2021. It will award funding to Local Authorities to help them upgrade energy inefficient homes of low-income households in England. This Competition combines two schemes: a £200 million third phase of the Local Authority Delivery scheme (LAD3) and a £150 million initial phase of the Home Upgrade Grant (HUG1) scheme. This is in addition to the [£500 million already awarded via the LAD scheme](#). Together this provides £350 million of funding in 2021 to 2022. Both schemes are focussed on owner occupiers and private rental landlords.

The UK government's [Future Homes Standard](#) is also improving the quality of housing across the country by ensuring new homes adhere to strict energy efficiency standards. From 2025, the UK government's Future Homes Standard will ensure that new homes produce at least 75% lower CO2 emissions compared to those built to current standards, with homes future-proofed with low carbon heating and high levels of energy efficiency.