

A home improvement plan for low carbon housing in the North

Emerging findings

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About IPPR North

Who we are

IPPR North is the North of England's leading think-tank.

We develop progressive ideas to change social and economic outcomes for the better in England's regions.

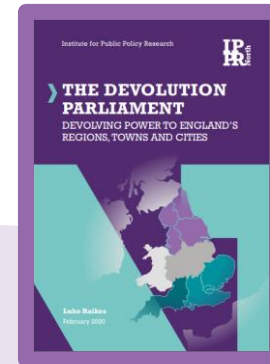
We have been influencing the debate for the past 16 years.

Our vision

Our vision is a North that has realised its potential by taking power into its own hands.

It is a future in which regional inequalities no longer exist, and opportunity and prosperity is open to all people across England. We achieve this by:

- ✓ Research
- ✓ Collaboration
- ✓ Convening



The purpose of this project

Developed in partnership with Northern Housing Consortium:

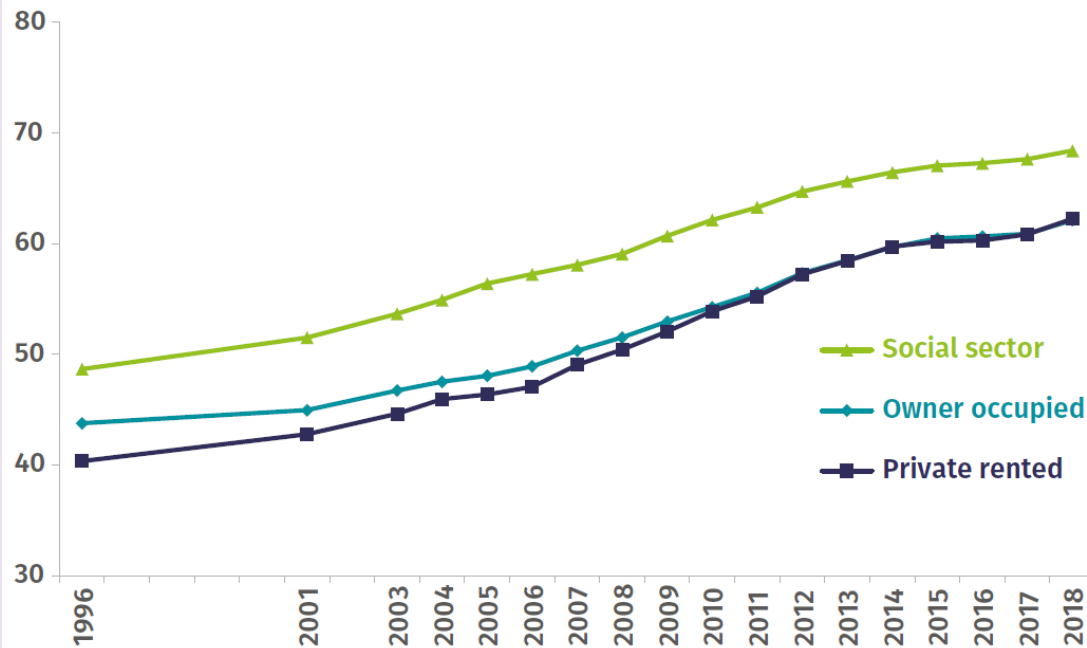
- Draw on existing research by IPPR nationally to present the economic case for a housing decarbonisation stimulus to create new job and training opportunities in a time of Covid-19.
- To develop a roadmap for change exploring how the North can take forward this opportunity including the role of devolution and key asks from Government.



Why we should prioritise action in the social rented sector ?

FIGURE 3.1: DWELLINGS IN THE SOCIAL RENTED SECTOR ARE SIGNIFICANTLY MORE ENERGY EFFICIENT THAN THOSE IN OTHER TENURES

Mean SAP rating, by tenure, 1996 to 2018



Source: English Housing Survey (MHCLG 2020b, 2020c)

Social rented sector has significantly better levels of energy efficiency compared with PRS – opportunity for sector to help build momentum for change more generally.

Our approach

Stage 1: Economic Assessment

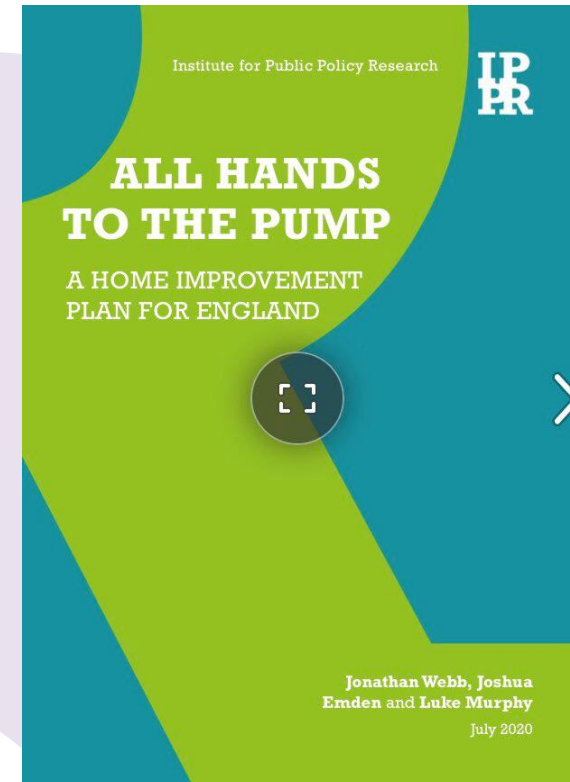
- Building on IPPR's national research we've examined regional opportunity including jobs, and wider economic impacts
- Examined the challenge of skills supply and demand– especially in the context of the pandemic

Stage 2: Engagement and Consultation

- Desk based research/review of existing literature and policy
- Discussions groups/interviews with key stakeholders including housing associations, combined authorities, energy hubs

Stage 3: Final report and launch – November 2020

- Final report to be published mid November recommendations for an ambitious programme of housing decarbonisation in the North and key policy asks of Central Government



Why home improvement matters now

- **Climate change is urgent:**
 - Net zero by 2050 but progress too slow.
 - 64 councils across the North declared a climate emergency .
 - Home heating – via gas boilers is principle source of household emissions in the UK.
- **North's housing stock quality is poor.**
 - UK's housing stock is most inefficient in Europe.
 - 24% of all homes in the North were built before 1919 and 44% before 1944.
 - Covid-19 highlighting just how poor housing stock is in some areas, esp in PRS.
- **New unemployment is creating real pain**
 - Covid-19 creating shockwaves in terms of unemployment.
 - Urgent need to create new opportunities as part of a future recovery.



Government Support: the national stimulus

- **Green Homes Grant:** A £2bn investment in reducing carbon emissions offering a grant for homeowners and landlords via a voucher towards the cost of installing energy efficiency improvements
- **Public Sector Decarbonisation Scheme:** Provides grants to public sector organisations to fund energy efficiency and heat decarbonisation initiatives
- **Social Housing Decarbonisation Fund Demonstrator:** A £50million programme (£38m in England) to support social landlords to adopt low carbon approaches to home improvement

Supported by the regional energy hubs -five across England -including two hubs in the north covering 1) North East/Yorkshire and Humber 2) North West

Challenges:

- Time limited and short term
- Implementation in the middle of a national emergency
- One size fits all approach
- Not necessarily joined up across Gov Departments

Our proposal: An ambitious home improvement plan for the North

- **Long term** housing decarbonisation stimulus, led by social housing providers and combined/local authorities.
- **Prioritise the use of domestic heat pumps** – fewer barriers than other technological pathways to rapid rollout.
- Alongside heat pumps – retrofit measures to **improve energy efficiency** and heat networks.
- **Awareness raising** campaign with consumers and businesses across the North to build demand.



Retrofitting our skills system

The jobs challenge

- Supply is latent, demand is still emergent.
- But opportunities in low carbon heating exist now
 - For existing trades to diversify e.g. plumbers, heating engineers, plasterers.
 - For new trainees coming into these professions through colleges and other providers.
 - For people in technical or related occupations to transition, who have been made redundant in the current crisis.
- Our proposals are about transforming demand but can the skills system meet the challenge?



Retrofitting our skills system

Realising the opportunity



- **Improve awareness among existing firms** – for example, there are 100,000 registered gas fitters in the UK but only 600 accredited heat pump engineers.
- **Incentivise the accreditation process**, TrustMark, PAS 2035 and Microgeneration Certification Schemes (MCS) and including the use of subsidies where appropriate.
- **Build demand for skills**– e.g. through consumer awareness raising about home heating choices so as to boost demand and realise efficiencies.
- **Working with skills providers** – eg colleges to examine options around enrolment timetables so as to increase uptake.

Retrofitting our skills system

Realising the opportunity



- **Taking a lead** –social housing providers, combined and local authorities using their own supply chain/procurement process to build demand including working with colleges and LEPs.
- **A regional approach** - place-based approach to thinking about heating and energy schemes and therefore the skills that are required. Also potential to connect with new Institutes of Technology (IoTs).
- **Skills transition for newly unemployed**– linking social security support with skills advice and training, including with social housing tenants.

Conclusions: A roadmap for change

- **Invest in the recovery:** A stimulus package to support market transformation to deliver at scale
- **Commit for the longer term** to net zero housing improvement - nationally and regionally.
- **Work collaboratively** to build demand and momentum for change.
- **Develop regional audit of housing stock:** A clearer understanding of housing stock in the North so as to target investment.
- **Adopt a neighbourhood approach** to maximise outcomes and lead by example.
- **Widen participation** and awareness raising with tenants, firms and consumers.



Get in touch

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