

Energy efficiency should be part of growth plan, says BESA

4 years ago



The [Building Engineering Services Association \(BESA\)](#) has urged the government to include reducing energy demand as part of its strategy for economic growth and review of net zero policy.

It said a strong focus on energy saving could help the Prime Minister Liz Truss achieve her aim of delivering net zero in a ‘pro-business and pro-growth’ way and could play a key role in improving energy security and make the country more resilient to financial and climate shocks.

The Association said it was important that former energy minister Chris Skidmore considered demand-side energy measures as part of his three-month review of the UK’s net zero strategy commissioned by new Business and Energy Secretary Jacob Rees Mogg.

“There is a lot of focus on finding new sources of energy and driving investment in major infrastructure projects like nuclear and fracking, but cutting energy consumption should come first,” said BESA President Rab Fletcher.

“A national programme of building refurbishments and retrofits could dramatically reduce the need for spending on new energy developments, stimulate a massive market, and move us several strides further along the path to net zero,” he added.

Fletcher pointed to a new study from the [Institute for Government](#) (IfG) that estimated a national energy efficiency retrofit scheme for buildings could cut domestic energy bills by £27bn a year.

Fluctuating

The report warned that the current energy price freeze did not consider what would happen in the longer term, with the UK likely to experience fluctuating gas and electricity prices for the rest of this decade. This

will make us vulnerable to price shocks because we depend on gas-fired electricity generation and gas heating and have an inefficient building stock.

“Improving energy efficiency could make a much bigger difference than energy supply measures in the medium term,” the report said.

While BESA welcomed the government’s intervention to freeze the cap on energy bills at £2,500 for two years, it is concerned this could delay vital action on energy saving. It urged the government to use the time to deliver radical policy changes to promote energy efficiency and low carbon building services.

“Liz Truss and her team deserve praise for putting bold measures in place to get consumers and businesses through the early stages of the current energy crisis, but this is a long-term problem and high gas and oil prices are with us to stay,” said BESA President Rab Fletcher.

“Now is not the time to pause energy efficiency and carbon saving strategies. On the contrary, we should use this period to press the accelerator and use the new energy landscape as a once in a generation incentive to invest in energy efficiency on a dramatic scale.”

The government’s Energy Security Strategy is focused on energy generation in the medium to long-term, including nuclear and offshore wind, but does not include any new measures on controlling energy demand. The Truss administration has also reiterated that it is not considering any new national schemes to promote improvements to building fabric to drive down energy use, but the Prime Minister is understood to be considering a national awareness campaign to encourage people to turn off lights and turn down their heating.

This contrasts with far more substantial moves across Europe to address building efficiency, such as Germany’s €56bn programme of building renovations, which aims to reduce the 30% of the country’s total energy consumption used to generate space and water heating.

It is particularly focused on improving buildings in the bottom 25% of energy performance with one German official saying: “One euro spent on renovation is ten times more efficient than if it was spent on a new home.”

Other European countries are expected to announce similar plans with the EU intensifying the focus on retrofit in its planned revisions to the Energy Performance of Buildings Directive.

Skidmore’s review is expected to study the most “economically efficient” route to net zero and BESA emphasised that retrofitting buildings to lower their carbon emissions could be done quickly and at a much lower cost than many of the ‘signature’ projects announced by the Chancellor Kwasi Kwarteng in his recent mini-budget.

“It would also have the added social benefits of lowering energy bills for millions of fuel poor families and creating thousands of new jobs,” added Fletcher.

Rees-Mogg said the government remained committed to reaching its net zero emissions targets but added that “with Russia weaponising energy across Europe we must make sure we do so in a way that increases energy security and does not place undue burdens on businesses or consumers”.

Skidmore has promised to consult consumers, investors, and relevant industry bodies in a series of roundtables across the country.