

Wates talks to government about decarbonisation fund wave 3

2 years ago



The Government's recent steps back on green policies are a cause for concern in successfully decarbonising the UK's homes. We join our fellow [National Home Decarbonisation Group](#) (NHDG) members in calling on the Government to sustain the momentum built so far in the sector and to announce the release of the full £3.8bn of the Social Housing Decarbonisation Fund in the upcoming Autumn Statement, recommitting the Government's net zero manifesto pledge.

Bekir Andrews, [Wates Group](#)'s Interim ESG Director, said:

Social housing tenants are among the worst affected by high fuel prices and fuel poverty. We already have the solution, and now is the time to act to provide healthy, warm, and affordable living spaces and help the UK meet its net zero goal. We therefore urge the Government to release Wave 3 of the SHDF as part of the Autumn Statement.

Not only will this help the consumers who most need the help, but it will also give our sector and supply chain much needed clarity and certainty of policy going forward and will allow us to invest in skills development and solutions needed to drive retrofit at scale. This approach would help to reduce the country's carbon footprint whilst also driving economic growth, creating new jobs, and growing the skilled workforce we will need to meet the daunting challenge of decarbonising homes and non-domestic properties across the country."

Derek Horrocks, chair of the NHDG, said:

The UK is often described as having some of the oldest and least energy efficient housing in Europe meaning there is substantial work to be done to decarbonise some 27 million homes if we're going to meet

our ambitious targets. Over the course of this parliament, a long-term plan to fund decarbonisation of social housing has been built, and the scale and ambition of the Social Housing Decarbonisation Fund has attracted significant investment and forward-thinking contributions from the construction industry.

Despite this, Prime Minister Rishi Sunak has chosen to back pedal on a number of green policies that risk substantially slowing progress. This all feels like a big step back in the net zero agenda and we're urging the government to be more ambitious in the short term.

Confidence across the market has been severely shaken through the government's announcement to scrap policies to force landlords to upgrade energy efficiency in their homes, instead only 'encouraging' households to carry out the work. Meanwhile, the phase out of fossil fuel boilers has been pushed back significantly, along with disbanding the energy efficiency taskforce intended to speed up home insulation and boiler upgrades, which was only launched in March of this year.

This may have a knock-on impact for the work in the social housing space, which is the catalyst for everything else. It's the way we build our supply chain, skills, and innovation so when businesses in the private decarbonisation sector accelerate this work, the foundation is already there. The government's commitment thus far has played a key role in forging partnerships between industry, social housing providers, education providers and more to drive retrofit at scale.

Only days before the announcements, the National Housing Federation's chief executive Kate Henderson urged the government to not let net zero slip down the political agenda and to make sure housing associations have the vital funding required to play their part in meeting targets.

This is a message the NHDG and its members wholeheartedly echo. The decarbonisation sector needs certainty and confidence in the long-term to invest in the supply chain and it's clear that the recent announcements have damaged that confidence, causing concern that a step back will come for social housing decarbonisation too.

The Social Housing Decarbonisation Fund (SHDF) has seen great success, but with Wave 2 schemes already allocated that long-term certainty for all is still needed. The PM himself said that his government would 'continue to subsidise energy efficiency', and with £3.8 billion already allocated to Wave 3 of the fund, we're calling on the government to announce and bring forward this funding in the Autumn Statement.

This should be accompanied with details of the competition and an aspiration for successful bids to be announced before the end of the fiscal year. This would be the clear signal to housing providers, and the decarbonisation supply chain to continue the investment in innovation, skills and training at scale continuing to build the foundation for the drive to net zero.

So much momentum has built over recent years, and we simply cannot let that go to waste and descale the industry. Many contractors and housing providers have invested huge amounts of time, resource and money to invest in the skills, innovation and processes to carry out the work needed and in many cases has shaped parts of their business plans too when it comes to investing those resources.

It's important that we further the agenda to provide home decarbonisation at scale more quickly and efficiently than ever. Collaboration at scale and a community-driven approach are definitely key to this. Our members bring together the major players in the housing decarbonisation space, with Tier 1

contractors and energy suppliers. These organisations will be critical to the success of home decarbonisation, with an estimation that they will carry out more than 80% of the large-scale domestic retrofit in the UK.

Ultimately, we have to remember that decarbonising homes is about much more than just achieving net zero. It's also about supporting millions of people feeling the impact of the ongoing energy, cost of living, and health crises too so the sooner we get these homes decarbonised, the better for society all-round.

We have as a collective, with support from the National Insulation Association (NIA), [written to Prime Minister Rishi Sunak](#) to engage on ensuring the all-important momentum needed. We also look forward to continuing our close working relationship with the government to achieve collective goals, starting with this recommitment to the net zero manifesto pledge in the upcoming Autumn Statement through releasing the full £3.8bn Social Housing Decarbonisation Fund to help decarbonise the UK's social homes."