

<u>MAKE 2024 THE YEAR OF RETROFIT, SAYS</u> <u>BESA</u>

2 years ago



The <u>Building Engineering Services Association</u> (BESA) has urged the UK government to focus on ways to accelerate growth in the number of whole building retrofit projects carried out during 2024.

The Association believes only "a holistic approach to building performance" will unlock the full potential of the building services industry to cut carbon emissions, improve energy security, and reduce consumers' bills.

BESA welcomed the allocation of an extra £1.5bn to the Boiler Upgrade Scheme (BUS), as part of a wider £6bn push to improve building energy efficiency but said the Future Homes and Buildings Standards, due to come into force next year, should be more focused on whole building solutions.

The Association also sought to downplay the potential of hydrogen for heating buildings saying it only had "limited feasibility" due to a range of financial and technical difficulties.

"There is a danger that hydrogen becomes a damaging distraction because of vested interests trying to keep it in the decarbonisation picture, but it will only play a very minor role in buildings long-term," said BESA technical director Graeme Fox.

"It certainly could play some part in industrial and transport sectors, but not home heating – the infrastructure issues are too complex and the costs too high," he added. "We need to keep focused on full building retrofits that make best use of energy efficient design and existing low carbon heating and cooling solutions."

Uplift



There was a surge of applications for heat pump installation grants in late 2023 following the uplift in the BUS scheme to £7,500 per installation. The Association also welcomed the addition of a £400m energy efficiency grant, set to launch in 2025, which is intended to help households in England make wider improvements to their homes including installing larger radiators and insulation.

A total of £1.545bn was added to the BUS fund to run from 2025-2028, but BESA said this could be bolstered with some additional funding for 2024 to keep up the momentum in the heat pump market. Over 4,000 contractors are now certified to install heat pumps and manufacturers' efforts to improve the effectiveness of the technology are bearing fruit with more high temperature models coming onto the market, the Association added.

The government is also consulting until March 6th on proposals for the upcoming <u>Future Homes and</u> <u>Buildings Standards</u>, which would, in effect, outlaw the use of gas boilers in new homes from 2025 onwards. It is also inviting feedback on proposed changes to the Building Regulations and calculation methods.

"The government consultation pretty much rules out hydrogen-ready boilers too, but there are a number of exciting developments with heat pumps, including new high temperature models that could unlock further potential in that market," said Fox.

"The new funding and standards are a great opportunity to cement whole building retrofit as the way forward. The debate needs to move beyond individual technologies to the holistic approaches that make the best of the practical solutions we already have."

BESA also believes that ESG (environmental, social and governance) reporting will have an impact on building energy efficiency this year as clients come under pressure to be fully transparent about their net zero strategies to bolster their corporate reputations.

In addition, all newly leased commercial buildings will need to achieve EPC ratings of C or higher from 2025 – with existing leases required to meet the same target by 2028 – and the Association said this could unlock greater investment this year as landlords seek to meet the deadlines.

"2024 could be a big year for accelerating whole building retrofits to drive better energy performance, and the consultation is another opportunity for the government to send positive and supportive signals to the market," said Fox.

"Let's turn the Boiler Upgrade Scheme into the Building Upgrade Scheme."