

Baxi reacts to Government Spending Review

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Following the Government's Spending Review, Jeff House, Director of External Affairs and Policy at [Baxi](#), comments on the key points of interest for the heating industry.

£13.2bn Warm Homes Plan

"It is great news to see confirmation of the full £13.2bn funding earmarked for the Warm Homes Plan, which will see vital investment in the rollout of heat pumps and other measures to improve efficiency in homes, lower bills and reduce emissions from heat. The industry remains committed to playing its part in the decarbonisation of buildings and homes, and Baxi will continue to prioritise delivering the solutions, training and support services to help heating engineers and their customers make the switch."

"Whilst we await the full detail of the Warm Homes Plan later this year, we understand that the headline funding figure will support an extension and increase of the Boiler Upgrade Scheme out to 2030, additional funding for the Warm Homes Social Housing Fund and significant funding to deliver heat network schemes."

"It is promising to see this alongside other announcements promoting the rollout of [heat pumps](#), such as changes to the permitted development rights in England and the upcoming Future Homes Standard which will require low carbon heating in new build. We very much welcome this commitment and will carry on working with government and the wider industry to play our role in addressing other barriers to heat pump deployment, such as skills, consumer engagement and the spark gap."

Skills funding for young people

"Making a success of delivering low carbon heating and hot water into the future means developing the

skilled workforce capable of meeting demand. We know a key part of this is encouraging the next generation of engineers and installers into the industry, so it is promising to see £1.2bn of investment in the wider skills system to support over one million young people into high-quality training and apprenticeships. We await with interest the upcoming strategy for Post-16 Education & Skills to provide more detail.

“Our last annual [Skills Survey](#) found, much like in previous years, some reticence to take up heat pump training from those installers nearing retirement – a demographic that makes up a significant proportion of the workforce. A perceived lack of practical training, complex government incentives and lack of consumer demand were the key barriers cited by respondents. As newly qualified installers enter the industry, we expect to see more embrace the latest technologies. The government and industry, however, must collaborate further to address these barriers to [training](#) and make a career in heating more attractive to build the workforce needed to make a success of the energy transition.

“Key to this is demonstrating the value of a career in engineering as early as possible, which is what Baxi has been doing through its partnership with Primary Engineer. This initiative brings exciting engineering projects to life with a hands-on experience for primary school children. For existing installers, and the next generation too, Baxi is continuing to take responsibility for addressing skills challenges. We have invested heavily in our centres across the UK, teams of expert trainers and the courses themselves to deliver [‘world class’ training](#) to heating industry professionals. This includes heat pump training courses such as our BPEC Air Source Heat Pump course, Baxi ASHP Product training day and Baxi Heat Pump Installer course.”

10 years of affordable and social housing funding

“The government has continued its focus on prioritising funding for affordable and [social housing](#) through the £39bn earmarked to support the sector with reaching housebuilding targets over the next 10 years. The funding for local authorities, private developers and housing associations joins the £2 billion for the development of 18,000 new affordable homes announced in March – half of which is allocated for social housing – and the existing Warm Homes: Social Housing Fund, already in place to retrofit existing social housing and improve energy efficiency.

“It is of vital importance that social and affordable housing is not left behind in the transition to clean heat. All of this investment is central to rolling out low carbon heating solutions, such as heat pumps and heat networks that deliver on comfort, efficiency, sustainability and cost in the long-term for tenants.

“To support the rollout of low carbon heat in social and affordable housing, we are working with local authorities, private developers and housing associations to deliver long-term plans to meet the different needs of their building stock. Whether new build or retrofit, it is vital that the [housebuilding and social housing](#) sectors stay ahead of the curve with clean heat, working closely with partners like Baxi to deliver the right solution and get access to the design, training and customer support required to ensure it is a long-term success.”

Funding to improve schools

“With our expertise and experience in partnering with the education sector on delivering efficient heating and hot water, it is promising to see the government commitment to the Schools Rebuilding Programme, providing around £2.4bn per year over the next four years, to rebuild over 500 schools. A further increase

in annual maintenance investment will see additional funding to improve the condition of the school estate.

“There are, however, wider challenges in this space that must be addressed to support contractors, specifiers and school estates managers with delivering efficient, low-carbon heat. Research presented in our recent report [*Decarbonising heat in schools: challenges and opportunities*](#) uncovered that, while the majority of schools strongly support heating decarbonisation, more than a third of UK schools continued to grapple with key challenges in achieving it.

“The survey of 200 state school estates managers, consultant engineers and M&E contractors uncovered that technical difficulty and electrical capacity requirements were the top barriers to installing low carbon heating. The study also a slight preference for hybrid heat pump systems over standalone heat pump solutions. 80% of engineers and contractors surveyed stated they would be likely to recommend a hybrid system, while 93% of estate managers confirmed that they would likely consider installing a hybrid heating system.

“As part of the report, and now as part of our response to the latest wave of funding, Baxi is calling for four clear steps that we believe the Government must take to ramp up the decarbonisation of schools:

1. Include heating system upgrades for schools within existing public sector support schemes.
2. Include hybrid heating systems more openly within existing support schemes
3. Address the imbalance in price between gas and electricity
4. Address the skills gap to help deliver clean energy projects.

“These steps will be vital to remove any barriers preventing the installation of hybrid heating systems within public buildings, while also making the best use of funding available to deliver schools that are both efficient and fit for the future.”

Read the survey report [here](#). Find out more about Baxi’s solutions for schools [on our website](#).

For more information on Baxi and how it is supporting the clean heat transition, visit www.baxi.co.uk