

The Chartered Institute of Building (CIOB)

submission to

The Department of Business, Innovation & Skills (BEIS)

on the consultation

Energy Company Obligation ECO+: 2023 - 2026

22 December 2022

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Introduction

The Chartered Institute of Building (CIOB) is the world's largest and most influential professional body for construction management and leadership. We have a Royal Charter to promote the science and practice of building and construction for the benefit of society, and we have been doing that since 1834.

Our members work worldwide in the development, conservation and improvement of the built environment. We accredit university degrees, educational courses and training.

Our professional and vocational qualifications are a mark of the highest levels of competence and professionalism, providing assurance to clients and other professionals procuring built assets.

Consultation Questions

1. Do you agree with the proposal to set mandatory annual targets for ECO+?

Yes, or at least partially. Although ECO+ is welcome, we are unsure whether it will have the sufficient funding or focus to retrofit at scale.

It is well documented that across the 28 million homes, the UK has the oldest and least energy efficient housing stock in Europe, with over 52% of England homes being built before 1965 and about 20% before 1919.

If we are to retrofit 29 million existing homes by 2050 – that is a million a year or over 20,000 each and every week – then we urgently need a National Retrofit Strategy. Not only will this contribute to our legally binding carbon targets, but it will also create new jobs, deliver growth across the country and take many people out of fuel poverty.

Improving the quality of our homes in the poorest areas would contribute significantly to the levelling up agenda. The Construction Leadership Council (CLC) has published a costed model for a [National Retrofit Strategy](#), with over 50 supporter organisations signed up. As our industry is actively involved in developing guidance for repurposing buildings, we would be delighted to work with Government to learn the key lessons from previous initiatives such as ECO, the Green Homes Grant or the earlier Green Deal for Home Improvement.

14. Do you agree ECO+ should target two groups with the first focusing on a general group with wider eligibility requirements and the second focusing on low-income households in line with ECO4?

Partially. We are supportive of the objectives of ECO+ to target funding at a broader group of households who are not eligible for support under other ECO schemes. As stated, this group will cover all homes in Council Tax bands A-D in England, A-E in Scotland and A-C in Wales, with an EPC of D and below. The second group of households will cover low-income households, mirroring ECO4 eligibility. In this consultation, these are referred to as the “general eligibility” and “low-income” groups, respectively.

We welcome that the Government has extended support to support the installation of additional energy efficiency measures to an additional 410,000 homes, particularly during the cost-of-living crisis and a time where energy bills are making up a substantial amount of people's earnings. However, we caution that many low EPC households are owned by those on higher incomes, which tend to be larger Georgian and Victorian townhouses that suffer from poor quality insulation and windows.

Furthermore, we support calls for greater support to those who are living off-grid and in rural areas and facing a potential mandate to replace Liquid Petroleum Gas boilers after 2026 with technology like an air source heat pump and not being eligible for fabric support through ECO+ as part of the general group.

27. Do you agree with only having a 'rural' rather than 'off-gas' requirement for properties to receive an uplift in ECO+?

No as 'off-gas' properties often face unique challenges that is separate from 'rural' which is a fairly broad definition that could encompass a vast array of properties.

32. Do you agree with our plans to explore additional access routes to the scheme, including through GOV.UK?

Yes, we note that consumer advice and guidance is paramount to helping people make informed decisions and identify support available for measures to improve energy efficiency their properties. In the UK, the Government-endorsed 'Simple Energy Advice' website goes some way to providing this guidance and we are pleased to see that while refurbishment and retrofitting measures are listed as methods to improve the energy efficiency of properties, the various benefits that can be accrued from good building maintenance and repairs have also been referenced.

Good repair and maintenance work, such as clearing gutters to prevent overflow onto walls, not only helps to minimise energy wastage and living discomfort, but also increases the durability and longevity of a building's fabric, yielding further long-term benefits in terms of the retention of embodied carbon. Thought must also be given to the needs of households in specific situations, including those in rural areas and heritage buildings. Repair and maintenance work are listed in the BSI 7913:2013 guide to the conservation of historic buildings as the most effective way of ensuring historic buildings do not suffer from avoidable decay that would require energy and carbon to rectify. This standard can be applied to any building, therefore highlighting the correlation between proper repair with energy efficiency and ultimate sustainability.

43. Do you agree with the list of eligible insulation measures permitted through the scheme subject to household eligibility rules? Are there any insulation measures missing from the list of eligible measures?

Yes. However, on the basis that the grid should be decarbonised well before 2050, a risk-based approach is more appropriate, especially the case with traditionally constructed buildings, as stated in PAS 2035.

44. Do you agree with our proposal to offer only single insulation measures to both eligibility groups?

No as this will pose risks to the building and to the health of occupants. A whole house approach reduces risks of detrimental unintended consequences. These risks are damp, mould and condensation caused by inconsistencies in the performance of different parts of the thermal envelope. The suggestion that in a building with both cavity walls and solid walls, only one measure would be funded could lead to only one of those measures being installed. Fabric retrofit is risky and needs to be designed properly on a whole house basis.

48. Do you agree with the measures eligible to be installed under the heating control measure type?

We support that heating controls should come under the scheme, but the building regulation standards are inadequate. If the Government wants householders to properly control heat, then add-on heating controls, such as time and temperature zone control, weather compensation control, and smart heating controls should be part of the package, otherwise the impact will be minimal.

Separately, by 2025, it is predicated that the UK population will reach 68.3 million and that 95% (roughly 65 million people) will be using a smartphone. Further consideration should be sought to enable people to control their heating remotely, potentially offering savings and/or better thermal performance during times that people maybe out of the home.

64. Do you agree with our proposal to impose ECO+ guarantee requirements through TrustMark registration?

We agree with TrustMark registration, but flexibility is needed where traditional buildings are concerned. Nearly all suitable insulation materials for traditional buildings do not have guarantees. Materials that do are, overall, not suitable for traditional buildings and carry risks for the building and its healthy occupancy.

66. Do you think we should allow loft insulation in low-risk situations and heating controls to be delivered in accordance with the TrustMark Licence Plus scheme rather than PAS2030/2035?

No because unless the whole building has been assessed, one will not understand the risks. Many 'so-called low risk' loft insulation installations have led to the deterioration of roof structures because it reduced ventilation. The whole house approach considers the impact that measures have on each other which is an essential.

67. How can we determine a measure as low-risk without incurring additional costs through, for example, using a Retrofit Assessor or other PAS processes?

Working to PAS 2035. Note that about a third of dwellings are of traditional construction (using the PAS 2035 definition of a traditional building) and PAS 2035 recognises this by stating the risk-based approach and requiring additional competencies / qualifications – for most roles there is a requirement to obtain a Level 3 Award qualification in the energy efficiency and retrofit of traditional buildings. PAS 2035 recognises the need for this to reduce risks and we believe using the TrustMark Licence Plus Scheme in its place increases risks as it currently has no such requirement.

68. Do you agree all other insulation measures should be required to be installed in accordance with PAS2030/2035?

Yes.

69. Do you think we should allow cavity wall insulation to be delivered in accordance with the TrustMark Licence Plus Scheme in low-risk situations?

No. Cavity wall insulation is not low risk and there are many examples that indicate this. Even in locations such as weather exposure zone one, thermal bridging risks may result in mould and condensation. Without considering the whole building the interaction with other measures will not be assessed and again the result is thermal bridging risks.

70. What else can we do to ensure sufficient supply chain capacity in support of ECO+, other retrofit schemes that will be running at the same time (ECO4, the Homes Upgrade Grant (HUG) and the Social Housing Decarbonisation Fund (SHDF)) and, in the long-term, our net zero target? What can we do to reduce competition between these schemes for the supply chain?

Previously, a lack of confidence in long-term policy direction has impeded the sector's ability to acquire new entrants and train them in the low carbon skills of the future – such as failures around the Green Homes Grant and prior to that, the Green Deal. Instability and piecemeal policy have weakened the resilience of the construction supply chain and reinforced a lowest-cost procurement model which has eroded quality and hindered innovation across the sector. Therefore, we advocate a long-term approach, such as a National Retrofit Strategy, to provide certainty and confidence to invest. This could help bring together the numerous different retrofit schemes and demand side policies to improve coordination at a Governmental level.

71. Do you agree with our proposal that advice should be provided on the benefits of smart meters and how to request installation of a smart meter alongside the advice provided under TrustMark Licence Plus and the energy advice requirements required by PAS2035 (as relevant)?

Yes, under PAS 2035 only.