



NET ZERO HOMES – MAKING IT HAPPEN



2023 NCF CONSUMER CONGRESS REPORT

The National Consumer Federation (NCF)





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Prepared by: Peter Hart

On behalf of: The National Consumer Federation (NCF)

c/o TrustMark (2005) Limited

The Square, Basing View

Basingstoke RG21 4EB

<https://thencf.org.uk/>

Registered charity no: 1101414

Consumer Congress March 2023 event sponsors:

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1. FOREWORD

WHAT IS THE NCF?

The National Consumer Federation (NCF) represents the voice of UK consumers. We are an independent, not-for-profit charity, with over 50 years' experience of tackling issues that affect large numbers of consumers, and campaigning for positive change. Our aim is to influence Government, regulators and businesses to ensure the consumer voice is at the heart of decision-making.



We provide a platform for everyone interested in consumer protection – from individuals to local groups and national consumer organisations - bringing them together to share their knowledge, skills and experience. Our expertise adds value to the collective consumer voice, making it a more powerful force for change. To find out more visit <https://thencf.org.uk/>, or like us on Facebook [National Consumer Federation \(NCF\)](#).

NCF CONSUMER CONGRESS

The NCF runs regular Consumer Congress events, bringing together a range of experts to discuss topical consumer issues. Following the 2016 EU referendum, NCF ran a series of Congress events related to Brexit. Past Congress reports are available on our website.

Our January 2020 Congress marked the first of a new series of Congress events focussing on consumers and their home, where the highest levels of harm occur – energy and the home, the digital economy, food, and services.

The UK government has pledged to achieve net zero emissions by 2050. This means looking for ways to reduce non-renewable energy usage through cost-effective methods, both short-term and long-term. The decarbonisation and retrofitting of UK homes is one of the key ways of achieving this goal, but how do we go about it?

Our 2023 Consumer Congress discussed and built on the issues identified in the NCF's position paper which addresses the challenges of affordability, funding, skills availability and motivating consumers to act.

NATIONAL CONSUMER FEDERATION

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2. EXECUTIVE SUMMARY

- Better targeting of government support would be achieved by focusing on the 10% of homes with the highest energy consumption that consume over 20% of energy.
- Regulation is a major lever for tackling the climate change challenge.
- If businesses are required to perform to the same regulatory baseline in terms of standards and customer care, it makes it harder for poor performing businesses and rogue traders to operate.
- Regulation without monitoring and enforcement is meaningless. Cuts to trading standards over the last ten years are a serious issue. Increased trading standards capacity is a must.
- There are insufficient skilled and qualified people to do the work across all of the trades and roles involved in retrofit. It is essential that capacity and skills are increased across the supply chain.
- Currently, there are significant gaps in registration requirements. Good registration schemes, coupled with codes and standards, can provide assurance and dispute resolution if something goes wrong.
- As a homeowner you need independent advice. There is a need for competent, independent retrofit advisors.
- Standards need to be pitched at the right level so that the market works effectively and people are protected. This will have the effect of creating a more hostile environment for those who do not want to comply.
- If Energy Performance Certificates (EPCs) are to be of value to consumers, they need to be reformed so that they are more accurate and can be expanded to provide more directly useful information.
- To build consumer trust and confidence there needs to be adequate regulation, monitoring and enforcement coupled with impartial, individualised, holistic advice and availability of better, more reliable, independent information.
- Given that for many in the most disadvantaged homes, energy saving currently means living without heat, retrofit grants for low income and the most vulnerable people need to be stepped up.
- In the able to pay homeowner sector none of the support or protections that apply to lower-income, grant funded homes are available. Right now there are no realistic incentives for people in that sector to decarbonise and this needs to be addressed.
- Talking about the climate change as an abstract environmental problem does not engage consumers effectively. The climate crisis is a health crisis, it is an economic crisis and it is a social crisis and that is the message that needs to go out to consumers.

- Consumers want retrofit advice that is tailored to their home – a bespoke and customized pathway that provides guidance and includes referral to an accredited and trustworthy installer in their local area.
- There needs to be simple and consistent messaging across multiple channels, from television to social media and print. There need to be sustained media campaigns to drive that simple and consistent message.
- Both the good news stories and the bad news stories need to be told. The good news stories incentivise consumers and help to drive them towards the regulated space. The bad news stories warn them against using unaccredited installers and the potential for being scammed.
- Centralised information and national media are important, but peer-to-peer engagement is absolutely critical for pushing retrofit forward.
- Local climate change groups, although in their infancy could be highly beneficial in providing leadership and community support through collaboration, signposting and motivating individuals to engage with retrofit.
- Collaboration between local groups across the country could be a powerful driver for retrofit nationally. A national panel could provide a national homes retrofit report using feedback from local communities to make grassroots experience and realities available as a national voice.

3. INTRODUCTION

Arnold Pindar – Chair National Consumer Federation

- The NCF has had a focus on “The Home” since 2018 and this Congress follows up the Congress we held in January 2020, just before lockdown put so many activities on hold. The aim of the Congress was to convey a consumer perspective on priority actions needed for the decarbonisation of our homes. Although this is a relatively long-term goal, the current cost of living crisis adds urgency.
- Any decision to decarbonise a home comes from individual choices where local activities and communities can and should play a vital role. We know that consumers trust the views of other consumers. So how can consumers and local communities be helped to make the right decisions? Can local climate change groups play a beneficial role in achieving these aims? Also, we must consider those that are vulnerable or disadvantaged. How can they and all of us be protected? These issues will be explored today.
- Around 80% of us are now concerned about climate change and many local climate change groups are being established around the country. But there is much confusion about what if anything we, the general public, consumers, can do to make a significant contribution to the UK Net Zero goals for 2030, 2035 and 2050.

- The NCF has a focus on consumer protection in our homes. Currently United Kingdom homes consume almost 30% of the total energy used in the UK. Unlike other consumption sectors, it is not falling significantly. This is a key concern for the longer-term UK Net Zero strategy.
- To make a significant contribution to the reduction to our home energy consumption we need clear, simple messages on how to reduce consumption and how to prioritise in order to make it happen. We need the resources to deliver the challenging programme and need to ensure that the general public – consumers, are protected as programmes are rolled out, especially for those in vulnerable situations.
- Government, businesses, Non-Governmental Organisations including consumer organisations and local climate change groups, indeed all stakeholders, need to work together to achieve these long-term objectives.

4. CLIMATE CHANGE POLICIES AND GOALS FOR HOMES

Lord Callanan, Parliamentary Under Secretary, Department for Energy Security and Net Zero (DESNZ)

Lord Callanan broadly outlined the government's perspective on decarbonisation and its initiatives for supporting and encouraging retrofit. His main points are below:

- When it comes to the challenge of decarbonising homes, decarbonising buildings, and increasing energy efficiency at scale, the consumer is at the heart of that tremendous challenge.
- In the UK, we know that we face some significant obstacles in terms of the consumer. We have the oldest housing stock in Europe, which is a legacy of our growth during the industrial revolution and the fact that we suffered less damage during the second world war than many other European countries, but it has left us with properties that are less well insulated and correspondingly more expensive to retrofit.
- Nearly 80% of homes in the UK are heated by natural gas, the second highest proportion in Europe and these obstacles will not be overcome by money alone. They will require a huge effort to engage, to educate, to assure and to reassure tens of millions of consumers.
- Assurance is a baseline. It is the first block of a much wider strategy to empower consumers and build on that. If people are going to invest their hard earned cash in lasting changes to their homes, they need to have an assurance that this investment is based on evidence and sound advice. They need to have the assurance that the work that is carried out is carried out to a high standard at a reasonable cost.

- That is where the work of the National Consumer Federation, TrustMark and many other organisations represented here today is so important. But there are other elements to empowering the consumer such as raising awareness of the benefits of energy efficiency and the contribution to decarbonisation.
- We know that high energy prices now mean that simple insulation measures actually pay for themselves a lot faster than they did previously, providing lower energy bills for decades to come. However, we have a relatively low uptake of heat pumps in the UK. Currently, the running costs of heat pumps are broadly comparable to gas boilers. We need to make them cheaper to run.
- In terms of action from the government, we launched a home retrofit tool on GOV.UK last year to give people tailored recommendations on what they can do to improve their particular property. We are going to continue to enhance that functionality to signpost people through to qualified installers and any financial support that is available to them in their particular circumstances.
- Last week the government launched an enhanced national phone line service, we published a new competition to identify various local, innovative, regional, in-person advice services. We have also put tens of millions into the public energy saving campaign that you may have seen the advertisements for over the winter and the focus was very much on the low cost, or indeed no cost actions, people can take straightaway. But over the coming months that will shift to education on longer-term options like increased levels of insulation and the possible adoption of heat pumps. In addition there is the issue of providing finance to consumers.
- The government has invested around £6.6 billion in energy efficiency over this parliament and we announced £1.4 billion of funding yesterday for the social housing decarbonisation fund and other measures, the vast majority of which is targeted to low income households.
- We have also boosted funding for ECO, the Energy Company Obligation Scheme from £640 million per year to £1 billion and we are shortly going to be announcing a brand new version of this, known by the acronym ECO+, which again means the provision of yet more funding – £1 billion over three years to target a broader range of households, not just restricted to those on the lowest incomes. In addition to these schemes, we are also going to be setting out some further actions later this month.
- Meanwhile, for those who are not eligible for these various grant schemes, we need to expand the market for green finance products, acknowledging that there is a great deal of available funding from banks and financial institutions. Our £1.8 million green homes finance innovation fund that we completed a year ago is a key early step to supporting the lending community to develop, design and pilot attractive green mortgage offers to homeowners. That workstream was expanded by the green home finance accelerator which we launched in October with up to £20 million available for innovative schemes.

- We have also consulted on further proposals for lenders to be able to help support homeowners, because ultimately, we do know that the benefits of energy efficiency are not just confined to providing warmer, more comfortable homes and lower energy bills. The benefits of that work will be felt across the whole economy through the massive potential to create highly skilled jobs in every corner of the UK.
- To give you an example, earlier this year I had the pleasure of visiting an energy efficiency installer company in Yorkshire and they told me that the expansion of the various government schemes had seen them grow from three people working out of a small office to now employing over a hundred people operating across an entire warehouse complex. That was a powerful reminder of how this agenda is uniquely placed to deliver profound multiple benefits all at the same time.
- We recognise that we need to go further and faster to ensure that those benefits are realised as quickly as possible and we know that the key to this is empowering consumers. They need to be at the heart of that work, which in turn means working ever more closely with many of the groups represented here today.

5. KEY PROGRAMMES, PRIORITIES, OPPORTUNITIES AND CHALLENGES

John Allison Deputy Director, Net Zero Buildings Strategy, Department for Energy Security and Net Zero

John provided an overview of the government's wider strategy for decarbonising heat in buildings and put some detail on the wider policies and actions to which Lord Callanan referred. He reflected on some of the major outstanding issues and challenges that the UK faces in the longer term and what this means for the wider theme of consumer engagement. Below is a summary of John's main points:

Strategy

- Our overall strategy Heat and Buildings Strategy, published in October 2021 guides our work and will do so for the coming years.
- Our focus is on improving the fabric of buildings, improving their energy performance, and taking a fabric first approach to ensure that we insulate first and create the right conditions for the adoption of clean heat technologies.
- This includes improving the energy performance of buildings, phasing out fossil fuel heating with the goal of no new installation of gas boilers from 2035 and reducing costs.

Challenges

- Around 30% of the emissions in the UK comes from our buildings, mostly from homes and mostly in the form of heat, and around 85% of properties still rely on the gas grid. Growing supply chains to the level required is a challenge.

- A key issue is that there are currently insufficient trained and skilled people to make the transition. A major requirement is to train increasing numbers of people in the relevant locations.
- New technologies are at a relatively early stage in the UK and we know that we need to do a lot more to transform markets, transform infrastructure, transform skills and engage consumers over the coming years.
- The cost of switching to clean heat technologies is an issue and there is a need to go further to rebalance those costs in the longer term.
- We need to support the most vulnerable, including those in the least efficient properties, through targeted subsidy and stronger protection.

Actions

- The Climate Change Committee estimate that around £360bn of investment is required to decarbonise UK buildings by 2050. A range of actions are required to incentivise investment, keep the transition affordable, reduce the barriers for consumers and protect households and businesses. These actions are:
 - Setting clear targets and standards to leverage private investment.
 - Growing the market for private green finance through doubling innovation funding for the development and piloting of new green finance products for consumers to £20 million and working with the UK Infrastructure Bank to consider future opportunities.
 - Ensuring that businesses invest in upskilling and growing their workforces.
 - Expanding information and advice provision. By summer 2023, we will launch a comprehensive Energy Advice Service on GOV.UK to help consumers to improve the energy performance of their homes.
- It is critical that reliable, robust and helpful advice from government is there and we can do more to help people by helping them check eligibility and referring them on to approved installers.
- Nevertheless, we also know that people will always look to independent voices and trusted sources of local advice for information. This is a collective challenge for all of us here.

Commercial and Industrial Buildings

- Currently, we have a combination of minimum standards which we have consulted on strengthening further, as well as a range of other policies to try and inform and encourage owners and lessees of those buildings to upgrade the stock.
- This includes future proofing new-builds through the Future Buildings Standard, setting a minimum energy performance standard of EPC-B by 2030 for rented commercial buildings, introducing a new performance-based energy rating framework for larger buildings and strengthening assessments through the Energy Savings Opportunity Scheme.

- Policies need to account for the more diverse energy demands of commercial buildings, remove barriers for SMEs and ensure that funding is available.
- However, this sector is in the earliest stage of policy space and investment overall, so there is an even greater challenge around informing and educating businesses as well as consumers to understand the benefits of upgrading these buildings and how to go about it.

Public Sector Buildings

- The government aim to reduce direct emissions from public sector buildings by 75% by 2037 against 2017 levels.
- We have significant funding going out through the Public Sector Decarbonisation Scheme, providing grants for public sector organisations to fund heat decarbonisation and energy efficiency measures.
- We have already made over £1 billion available through the Public Sector Decarbonisation Scheme over 2020/21 and 2021/22 and will invest a further £1.425 billion in the Public Sector Decarbonisation Scheme over 2022/23 to 2024/25.
- We are funding the improvement of capability through the Public Sector Low Carbon Skills Fund, to enable public sector organisations to access the skills and expertise needed to identify, develop and deliver decarbonisation projects.

Homes

- For homes there are a combination of standards and investments. We have an ambition for all homes to meet EPC-C by 2035, with a short-term target for those households in fuel poverty of 2030. We have consulted on strengthening minimum energy efficiency standards.
- Government action is focused particularly on investment targeted on the most vulnerable and we are increasing significantly the amounts going out through the government's major capital schemes in this respect
- The greater challenge is the wider 'able to pay' market, where government cannot do everything. This is where green finance has an important role to play.

Energy Company Obligation Scheme (ECO)

- Since 2013 the Energy Company Obligation Scheme (ECO) has delivered ~3.4 million measures in 2.4 million homes (up to Jan 2022). We have committed £4 billion for 2023-2026 to the next iteration of the ECO through ECO4. This is a scheme delivered through energy suppliers to improve the fabric of buildings, again targeted so far on the most vulnerable, those households most in need. Some key features are:
 - Buy-Out: To address market distortions, we have developed a "buy-out" mechanism enabling suppliers to meet obligations by paying an approved third party.

- Scoring: Suppliers are scored according to how well they meet their obligations. Scores will be based on the difference in average annual bill expenditure between the starting and finishing SAP rating of a property.
- Measures: Focus on improving the fabric of buildings and ensuring that homes are suitable for low carbon heating. Most properties will receive multiple measures due to mandated levels of improvements.

ECO+

- The **ECO+** scheme (to be re-branded shortly) will provide £1 billion from 2023-2026. Its purpose is to open up the successful ECO model to a wider group of households in the least efficient homes in the lower council tax bands as well as focusing on the most vulnerable. The objective is to encourage a much wider cohort of households to engage with government schemes.
- This scheme recognises that there is a large number of households who might be termed 'able to pay', but nonetheless need some financial support. This will enable the wider cohort eligible for ECO+ to be able to check their eligibility and get referrals to suppliers who will be able to carry out work for them.
- ECO+ is coupled with the expansion of information and advice provision and the development of financing. The Government response to the ECO+ consultation is to be published in Spring 2023.

Technologies

- On clean heat, we are looking to create a market to build clean heat technologies. Heat pumps have a major role in all pathways, but we are also looking to support the market for heat networks. Heat networks and heat network zones are a particularly cost-effective low carbon heating solution in urban environments and we will encourage their roll-out wherever they are suitable.
- The NCF have published a report raising some concerns around the risks of heat pumps being installed without adequate insulation. We recognise that heat pumps should only be installed in properties where the conditions are right for them to work efficiently.
- We need to ensure that people have the information to enable them to make an informed choice as to whether a heat pump is right for their property at a particular point in time.
- Through government schemes and capital schemes which fund heat pumps and through the boiler upgrade scheme, we are making sure that heat pumps are only installed when a certain level of fabric installation is in place so that consumers can fully realise the benefits.
- We aim to install 600,000 heat pumps per year by 2028. The supporting policy package includes targeted regulatory, market-based and public investment measures.

- The electrification of heat demonstration project is looking at the suitability of different types of house for heat pumps. It identifies that around 90% of the housing stock is already potentially suitable for heat pumps. But again, we recognize that that needs to be with the right installation measures and right advice and quality of installation to make sure that the benefits for consumers are actually recognised.
- There is also considerable work underway to look at the technical feasibility and potential role of hydrogen as a heating solution in the longer term. We are looking to take decisions within the next couple of years on what the long-term pathway will be and whether hydrogen could form part of the heating mix in some rural parts of the country in addition to electrification. However, under any scenario, we are likely to see heat pumps playing a critical role.

Energy Efficiency Task Force (EETF)

- We announced last autumn that we would be setting up the EETF, which the Minister co-chairs with Dame Alison Rose CEO of NatWest. At the same time we announced a new 15% demand reduction target for energy use from households and industry by 2023, and a commitment to £6 billion additional funding up to 2028. The taskforce is considering ways of working to reach the 15% reduction ambition, sounding out avenues such as green finance, the resolution of supply chain issues and changing consumer behaviour.
- We see the 15% as a stretch target. We know that our current policies will not take us all the way there and we need industry engagement and leadership for a genuinely collective effort to deliver the scale of transformation that we know will be needed across the domestic and commercial sectors to deliver that target. The task force is particularly looking at the role of the private sector and stimulating investment in order to deliver that 15% ambition. Priority areas of focus are:
 - Stimulating the supply chain to address and increase investment, reduce skills gaps, accelerate pathways to accreditation, improve product manufacturing capability, and increase the wider availability of materials required to deliver high quality upgrades at pace.
 - Identifying barriers and opportunities in existing market and regulatory frameworks to delivering the demand reduction ambition in a way that works for business, consumers and society in order to inform policy decisions.
 - Increasing consumer, public sector, and business engagement in the delivery of existing and new initiatives on energy efficiency and clean heat; this may include addressing the lack of consumer take-up or behavioural change and high attrition rates.
 - Working with the private sector to increase the availability of green finance linked to installation standards and quality.

Summary

- Over the next few years we need to start delivering on our key commitments including improving the energy performance of our buildings. We will monitor and track progress and seek continuous improvement in our approach.
- We will rapidly expand and grow markets and supply chains ahead of the introduction of regulations as well as implementing enabling policies to incentivise early action and reduce costs.
- We will be taking strategic decisions by 2026 to determine the future mix of low carbon heat in the UK. This will require setting direction on the relative roles of hydrogen and electrification.
- The challenge of consumer engagement and consumer understanding and awareness and confidence in what heating solutions are suitable for their homes is going to be critical.

6. NCF POSITION ON CURRENT SITUATION AND PRIORITIES

Pete Eisenegger, Director, National Consumer Federation

Pete focused on the value of employing EPC data to determine energy usage, the need to prioritise net zero support and the need to motivate consumers. Below is a summary of his presentation:

- I would like to begin by acknowledging how support from the government has protected consumers from the worst impacts of energy price increases.
- Consumers in the least energy-efficient homes have been protected by quite a considerable margin, although they still may experience high energy costs.
- Annual energy bills are potentially many thousands of pounds for those in the range of the most extreme energy consumption (between two and four times average energy consumption).
- You wonder how people are coping given that the costs of housing, food and bills are the biggest single contributors to inflation and the cost of living crisis.

Using EPC data

- We looked at National Energy Efficiency Data (NEED) EPC data which is actual energy consumption per square metre per annum. Per square metre, because that is a fair measure between different sized properties such as flats and houses. What you find is that what people actually are consuming varies a huge amount across EPCs.
- For example an EPC-G home may consume from between 100-200 kwh per square metre per annum to more than 1,000 kwh per square metre per annum

(more than four times the average). Equally, an EPC-E home may consume as little as 100 kwh per square metre per annum, or as much as 1,000 kwh per square metre per annum.

- An EPC-C home may consume from 100 kwh per square metre pa to between 400 to 500 kwh per square metre per annum (up to two times the average) while an EPC -A home is likely to consume no more than 200 kwh per square metre per annum.
- I do not have any data for this, but if I was making a personal guess, I would say that a lot of that variation is lifestyle, which means that we are talking about influencing people in the way they live and people with families are going to find it much harder than people in other circumstances.
- If you multiply the kilowatt hours per square meter per annum by the size of your property in square metres, you can find out approximately what your actual energy consumption is. We are suggesting that it is much more realistic to get people thinking initially about the number of kilowatt hours they use because that is what affects their bill.

Prioritising net zero support for insulating homes

- We have taken this data and performed a Pareto analysis. As a result, we have identified that 10% of our homes, that is 2.5 to 3 million homes, consume 22% of all home energy consumed nationally.
- Our position is that given the scarce resources available from government and industry, we should use the EPC data to focus on these homes, because the percentage energy efficiency improvement you would get there is far more impactful than on homes further up the curve, where a lot of the 'can afford-to-pay' people live because they do tend to live in better, more energy-efficient, up-to-date homes.
- There is also a popular misconception that the highest energy consumption applies only to the larger homes. What we have identified is that a huge amount EPC-Gs apply to perfectly average homes.
- So there are some quite interesting issues that will need to be talked through if we choose nationally to take a different approach from the current one, but when you consider the urgency of addressing climate change, we really ought to be focusing the money and people resources we have where they will have the greatest impact – the 10% of homes that use 22% of the energy.

Encouraging consumers to make the change

- One of the things that will I think emerge from comments through the day is that it is proving really difficult to get consumers en masse to start taking these decisions. There is a lot of inertia out there.
- We think that the key drivers are mainly those who want to save the planet, people who are facing high bills and want to do something about it, and maybe for

some, it is both of these factors. We think that there is mileage in using actual consumption data in a much more positive way to encourage people to change.

- For example, the National Energy Efficiency Data-Framework (NEED) identified that the estimated median savings in gas consumption in 2019, from energy efficiency measures installed in England and Wales in 2018, ranges from 4 per cent for loft insulation to 18 per cent for solid wall insulation. Solar PV installations result in an estimated 14 per cent median saving in electricity consumption.
- You can motivate people a lot by showing that the action they have taken has actually been effective. Can we feed back to consumers the actual effect in a measured way such as this? We get back to the word of mouth issue again. If someone is able to say, 'I've made this much difference', that could be really helpful in terms of motivating others.

Taking into account local differences

- Differences between local communities are significant. If we consider EPC-G data for homes with energy consumption that is greater than 450 kWh per square metre pa and compare the national picture with the type of tenure in just one local area (in this instance Leeds Local Authority) we can see that there are marked differences.
- This is the data for EPC-Gs and the mix of tenure nationally:
 - ~ 84 % of EPC-Gs fall into the 10% of highest energy consumption homes
 - ~ 87% of the 84% are owner occupied.
 - ~ 16% of the 84% are private rental.
 - ~ 6.5 % of the 84% are social housing.
- This is the data for EPC-Gs and the mix of tenure in Leeds Local Authority:
 - ~ 98 % of EPC-Gs fall into the 10% of highest energy consumption homes
 - ~ 56% are owner occupied.
 - ~ 24% of the 98% are private rental.
 - ~ 20 % of the 98% are social housing.
- So there will be issues locally about how you handle the fact that you are going to get a very different mix of people in the same location. There are lots of reasons why people can be motivated in addition to their bills and we have people here who are very concerned about the safety aspects of this. We must not forget that the major part of assurance and confidence for consumers is that it has to result in safe installations. You only need a few bad news items to really put a dampener on the market.

Blocks of flats are not straightforward

- We looked at the actual energy consumption per square meter per annum for a block of flats and identified that EPCs ranged from C through to F and energy

usage from 196 up to 817 kwh per square metre per annum. (The EPCs made certain assumptions about the wall types and levels of insulation in each of the flats but there seemed to be some confusion about whether walls are cavity or solid).

- If this example is not atypical, it raises an obvious question. If a management company is going to do something collectively for all the flats in a block in terms of improving energy efficiency, why should residents with very decent, low levels of energy consumption, chip into the cost of improving the energy efficiency of the flats with high energy consumption?
- However, we do feel that getting people focused on EPCs to start with will enable landlords, freeholders, leaseholders and management companies working together with tenants to try and find a better way forward because the starting point is actual energy consumption.

Challenges in addressing the highest consumption homes

- In the highest consumption 10% of homes, affordability is extremely low and inflation makes affordability even more challenging for the great majority whether homes are owner occupied or rented.
- Landlords of rental properties where insulation and other retrofit capital expenditure would be £10,000's or more per home, are also likely to be stressed.
- Such expenditure would not enable landlords to raise rents, with many of their tenants unable to afford the rents necessary to make financial sense. The affordability gap can only be bridged by a combination of Industry and capital investment by government in UK homes, geared to long term interest cover and repayment.

7. PROTECTING VULNERABLE HOUSEHOLDS

Helen Lord, CEO, Vulnerability Registration Service

Helen outlined her work in setting up the Vulnerability Registration Service (VRS) and provided an insight into how this service endeavours to identify vulnerable people who need support and ensure that they receive it. The main points she made are below:

VRS and vulnerable consumers

- VRS was set up in 2016 with the objective of being a single route for consumers to highlight financial or circumstantial vulnerability. It could be vulnerability due to health, or it could be life itself because we know the two things go together.
- Historically, financial services have highlighted where people are in debt, but debt has never put into the context of mental health. So that is what we try to do.

- When we are talking about vulnerability, we are talking about people who are struggling with being in debt, their mental health is being affected, and they are basically rendered powerless to go out and seek the help that they need.
- We are talking about elderly people who do not necessarily have the advantage of going into digital chat rooms and communicating with their service provider or navigating their way through call systems, or carers who are so worn out with looking after a dementia sufferer and trying to manage their finances at the same time, that they are struggling to get the support that they need.
- And we are also talking about people who are victims of coercion, who possibly have had a stranglehold on their finances for years, and still have a really poor credit history. They cannot navigate their way through this, they cannot get housing, they cannot get jobs. We are looking at people with cognitive disorders people with disabilities, and people who have financial capability or accessibility challenges and may need support for some aspects of the customer journey.
- We have talked a little bit this morning about consumer awareness. How do we get to those people? How do we tell them what support is available to them? And what can they actually do about it?
- We face challenges in terms of data protection and people being terrified of sharing data because they think they are going to get a slap on the wrist from the Information Commissioner's office. So we have found ways of working around it. We do need to make sure data is secure and we need to consider the privacy of information, but we do not want that to be a barrier to stop us from supporting people.

Who we work with

- We work across sectors, with financial services, utilities, telcos, housing, active gambling, government, local authorities and insurance. We also work with consumer support organisations, e.g. debt management organisations, charities, the Illegal Money Lending Team and Accommodation Concern. We work with the Court of Protection, local authorities, individuals, and solicitors in terms of estate and money management.
- The other thing that we have found is that service providers recognise the relevance of vulnerable customers. But what we have also found is that many organisations really do not know how to deal with them.
- And while we are talking about consumer inertia, there is also considerable inertia in terms of big organisations not moving this agenda forward. As a small organisation, we are pioneering this as best we can and trying to create as many partnerships as possible.
- But the climate is changing – I do not think that there has ever been so much focus on vulnerability as there is at the moment. There is regulatory change, such as the Consumer Duty in financial services and there is media attention, such as the cost of living and prepayment meters. So I think that there is an appetite out there to move forward with some of these things.

What the data tells us

- VRS holds a unique dataset sourced from a wider number of sources from a range of sectors in order to give insight into potential customer vulnerability and enable treatment to be adapted accordingly. It uses its datasets to identify financial, health-related or circumstantial vulnerability when individuals are suffering extreme financial hardship – often coupled with other factors such as mental health or a life event.
- It also provides insights into the propensity for consumers to become seriously indebted and fall victim to unregulated lending.
- There is no central database for vulnerability data. So some of the places we get our data from are cross-sector from consumers, directly from people with power of attorney and organisations like local authorities who have a court of protection order to manage people's finances on their behalf.
- Then we use high level flags to try and give an indicator of the type of vulnerability that an individual may have. It is showing the bigger picture around people's indebtedness but also the fact that they might have other circumstantial vulnerabilities. It might be a relationship breakdown, it might be a bereavement, or a serious health issue, or a mental health issue, thus providing a bigger picture.
- Hopefully this data can then be used firstly, to try and identify the people who need support and secondly, to ensure that they receive it, so that they do not have to look at 30 different websites and face the challenges of trying to understand the terminology and navigate their way through call centres to find the support they need.
- There are a lot of complexities in the background, but as far as vulnerable consumers are concerned, we need to help them register on a priority service register and help them understand what discounted tariffs are available to them.

8. MAKING THE MOST OF DATA

Derek Owen, Director, Healthy Home Solutions

Derek highlighted the need for effective resident engagement in the context of retrofitting UK homes and provided details of the VRS and HHS multi-channel engagement programme and its progress to date. A summary of his presentation is below:

Paving the way for healthier homes – context

- HHS works at the intersection of welfare, home health, and energy efficiency by supporting housing associations, managing agents and local authorities to prioritise and engage with their homes.

- Over the last four or five years it has become evident that many of the funding schemes and programmes have not been working effectively. For example:
 - *“Government figures show just 1,430 measures out of the 20,000 expected under SDHF wave 1 have been installed.”*
Source: Housing Today
 - *“About £2.1bn remains unspent of the £6.6bn that was supposed to be used between 2020 and 2025 on making buildings more energy efficient and decarbonising heat.”*
Source: The Guardian
 - *“The committee found public awareness of low-carbon heating systems is very limited, and promotion of the Boiler Upgrade Scheme has been inadequate.”*
Source: The House of Lords Environment and Climate Change Committee
- Research studies dating back to 2014, show that a key barrier to retrofitting UK homes is the lack of proper resident engagement. These studies predict a stall in the retrofitting of UK homes if residents are not engaged in the right way.
- We will only see an increase in engagement through resident-first communications and multi-channel measured programmes. It is clear that residents hold the key to unlock the decarbonisation of UK homes.

A resident first approach – the VRS and HHS initiative

- The Vulnerability Registration Service (VRS) and Healthy Homes Solutions (HHS) are in the middle of a detailed multi-channel engagement programme sponsored by Cadent Gas Ltd.
- We have made the process of registering simple, effective and open to all and where possible, by proxy.
- We are profiling, engaging, listening and triaging vulnerable and in-poverty households within the Cadent Gas areas in a pilot.
- We are guiding them to sign up to support services that they are eligible for in one central place. (E.g. PSR, TPS, and DWP checks). We arrange for CO₂ monitors to be sent to them.
- By listening and responding to the needs and concerns of residents, we are seeing a step-change in levels of participation and resident engagement. Making the resident central to all communications is crucial for engaging UK households in retrofit initiatives, and in the delivery of all retrofit funded schemes.
- We have a national householder database, which includes the VRS data, and each residence has a unique reference number. We have been able to share that unique reference number with whoever we need to and that number will tell them the exact address without us having to share any other kind of personal data. This enables us to say exactly which homes are vulnerable today.

- We provide people with information about scams and access to ‘Friends Against Scams’. We also inform them around things like broadband social tariffs that may be available to them at a discounted rate.
- We have been communicating with people through a variety of mechanisms including a multi-channel nurture program, emails, SMS text messaging and a booklet. We have also advertised via social media.

Interim results

- HHS and VRS now have a list of all those homes that have a high propensity towards some form of vulnerability (around 4.1 million). This could range from the clinical all the way through to people who simply report that they feel vulnerable.
- In terms of engaging with VRS members and recruiting new members, 27% of all visitors to the initiative website registered for this service. Of these, 16% booked an actual time and date using a calendar booking tool for the HHS team to call them back.
- On average calls take 22 minutes to triage and register the resident to the requested services. 80% of all the additional services were signed up by proxy by centralising the information gathering stage (similar to the “tell us once” service).
- Seven different marketing mechanisms were used in the multi-channel nurture campaigns, including email, SMS messaging, social advertising, direct marketing, telephone numbers and QR codes. Text and email nurture campaigns resulted in between 6-12 times increased engagement more than single communications.
- Around 25% of respondents went online and booked a date and time to talk to us. It was not about telling them what to do, it was about giving them choice, We have already done the fabric work and mapped it so we can now identify all the homes in that vulnerability pool which are eligible for the different grants that are available.
- Statistics from the modelling of five datasets including the VRS and the HHS National Householder Database (28m records) suggest that 62% of all vulnerable records are in council tax bands A & B and 44% are in EPCs D, E, F and G. We recognise that EPC ratings as they stand do have limitations.
- 42% of all vulnerable data and modelling records are in a “family” profile and 29% of all vulnerable records fit into six profile types
- Modelling the key attributes of “vulnerable” and “fuel poverty” show 4.1m households flagged as the most in-need homes in England and Wales – all homes we could help today.
- We have taken the data from the ERA and one other data set and we have created a propensity model. From this we have identified around 17 million homes that are in relative poverty. Trade Engine, have a data set of all of the homes they have actually improved using the EPCs. We can take the algorithms from that and apply it to our propensity model.

- The national approach going forward should put more energy and effort into identifying vulnerable households and supporting them through schemes like this.

9. COMMUNITY CONTRIBUTION TO ZERO CARBON

Arnold Pindar, Chair, National Consumer Federation

Arnold focused on the issues of motivating and educating consumers and the potential value of local climate change groups in providing leadership, support and motivation for individuals in their communities to engage with climate change goals. Below is a summary of his presentation:

Motivation and choice

- From the National Consumer Federation's past experience of acting as an umbrella for local consumer groups across the UK, we know that if we can support and energise groups of people to look into issues properly, they will provide the inspiration and guidance for individual consumers within their communities.
- The Plymouth local consumer group realised that as an organised group they had far greater influence with their local authorities when raising questions than they would have as individuals. And through the National Consumer Federation, they had a mechanism for raising wider issues at a national level and to spread good practice between themselves and other local groups.
- To set the scene for our panel session this afternoon, what are the issues that we are asking them to address? Firstly, motivation. How do we get net zero further up the homeowners' and occupiers' agendas? Government has said that they are trying to reduce barriers, but is that enough? We really need to get positive motivational action to make a difference.
- Secondly, choice: how do we help consumers to make the right choices as they seek to make energy savings in their homes, to reduce their bills and contribute to zero carbon goals. Many people recognise the need for energy reduction but it is so technically complex. What do you do first? Who do you trust to carry out the improvements?
- As homeowners, we need the motivation to raise energy saving up our priorities list. So a key question for this afternoon's panel is, "How do we make zero carbon goals more compelling, how do we make them easy and exciting for individuals and local communities?"

Education and vulnerabilities

- Of course consumers will need information in order to take decisions about what they need to do in order to retrofit their homes. However, it is not enough for the authorities to educate the consumer. As Paul Lewis from BBC Moneybox said at one of our previous consumer congresses, you educate the consumer and then it's their fault when it all goes wrong.

- It is essential to make products and services as fit for purpose and as safe as possible for consumers. Only when there are residual problems with safety and fitness of purpose that cannot be designed out, should you consider provision of information, that is to say, consumer education.
- Helen Lord and Derek Owen have described ways to support the most vulnerable in our communities, but as John Herriman has already mentioned, we are only likely to retrofit our homes once, possibly twice if we move house. This makes us vulnerable to poor performing contractors and rip-off merchants.
- We need solutions that do not simply rely on us knowing how to do the right thing. We are all potentially vulnerable to poor workmanship and scammers. It is essential we have robust monitoring and enforcement authorities to protect us. So a further question here to this afternoon's panel is, "What is being done to protect us as we seek to retrofit our homes to reduce energy consumption and what more is needed for this to be effective?"

Community climate change actions

- The NCF strongly believes that the local climate change groups that have been appearing across the country over the last three years or so, have the potential to provide ideas, to provide support and leadership and to enthuse individuals in their communities to engage with climate change goals. Immediate benefits will be to reduce energy consumption in our homes and hence reduce our energy bills.
- Inevitably groups are at different stages of development. Some, like Zero Carbon Guildford, are well established and have some, maybe not enough, support for their activities. Others are embryonic and have more limited aspirations, perhaps wilding roadside verges or planting trees or seeking improvements for better cycle lanes. A member of a climate change group in Cheltenham describes the challenge, "Everyone in our group, ten of us in total, is keen on action, but only two of us have actually ever done anything practical. All our actions seem small and unimportant. How do we change that?"
- These groups have the enthusiasm and we lose it at our peril. So my question to the panel session is, "What needs to be done to support and empower these local climate change groups to make a significant contribution to energy reduction and efficiency in their local community homes?"
- So how can local climate change groups contribute to zero carbon targets? Here are some thoughts:
 - By sharing information with other communities and with other local climate change groups about where to find trustworthy funding, whether this be for self-purchase or assisted purchase through government or industry schemes.
 - By sharing information based on local experiences or specific retrofit products, and any issues to look out for, especially in respect of different types of home construction that may be found locally.

- As local knowledge and experience builds, sharing information on trusted local traders with a proven track record for installing, for example, a particular type of insulation, heat pumps or solar panels.
- By sharing information on how to make the best use of energy performance certificates.
- Helping to protect local communities by working with the local trading standards department to prevent poor traders and poor products spreading locally, and by helping people to avoid any local scams.

Bringing grassroots issues, problems and proposals to the national level

- Naturally, local groups will need help to build the knowledge and skills to support their communities. This is necessary if individuals are to be motivated to reduce their energy bills and make zero carbon happen.
- The National Consumer Federation was established back in 1963 after many local consumer groups emerged due to the levels of unsafe consumer goods and services that were prevalent at the time. It was recognised that there was a need to support these groups and to funnel their interests to government and regulators. The NCF's role was to provide an umbrella for these, at one time, well over 100 local consumer groups.
- The NCF believes that current and emerging local climate change groups would greatly benefit from a similar umbrella with a national reach that could facilitate communication with and between local communities. This umbrella would help local communities in different parts of the country to share knowledge and experiences.
- Our proposal is that we establish a national consumer homes retrofit panel, or roundtable, to consider grassroots issues, with representatives of local community groups playing a key role, funnelling local interests and experiences to the national level.
- To gain the maximum benefit for all, I strongly recommend that this panel or roundtable must include all relevant stakeholders. It should not be a consumer panel or a climate change panel that is separate from a business panel. We need to work together on this initiative..
- This panel could provide a national homes retrofit report using feedback from local communities to make grassroots experience and realities available as a national voice. So my question to the panel session again is, should a national consumer-based retrofit panel be established, and if so, what could form could it take?

Conclusion

- How do we make zero carbon goals more compelling and exciting for individuals and local communities to really "make it happen"?
- How should those who can least afford the costs be helped?

- What is being done to protect us as we seek to retrofit our homes to reduce energy consumption and what more is needed for this to be effective?
- What needs to be done to support and empower local climate change groups to make a significant contribution to energy reduction and efficiency in homes in their local communities: to “make it happen”?
- Should a National Consumer Homes Retrofit Panel be established and if so in what form?

10. PANEL DISCUSSIONS

There were two panel discussions. The first panel discussion considered the topic of **Motivation and Choice**. Panellists were:

Andrew Brown, Trade Engine

David Cowburn, NAPIT

Nigel Donohue, Installation Assurance Authority

Ben McCallan, Zero Carbon Guildford

Ben Meredith, TrustMark

The second Panel session focussed on **Building Community Confidence**. Panellists were:

Martyn Allen, Electrical Safety First

Phoebe Clay, Unchecked UK

Virginia Graham OBE, Renewable Energy Consumer Code

John Herriman, CTSI

Cara Holmes, Citizens Advice

Justin Macmullan, Which?

The main themes that emerged from these panel discussions are detailed below.

Impact of the cost of living crisis on home energy usage

- Citizens Advice note that increasingly people are coming to them for crisis support due to debt. Many are struggling to pay bills and have negative budgets (where essential outgoings exceed income). Energy debt support requests are 25% higher than in 2019.
- Over the last six months, 40% have cut back on the amount that they spend on energy. 88% say they achieved this by reducing the amount of energy they use which is simply unsustainable. It has been estimated that almost 50% of people across the country are spending 10% or more of their income on energy and are in fuel poverty.
- The average UK property has an efficiency rating of EPC-D. In comparison to EPC-C rated properties, that is an average extra annual energy cost of £350. For EPC-F and EPC-G rated properties, the average extra energy cost is in the region of £1,000 a year. Improving the energy efficiency of these homes would have a

significant impact on living costs for a vast number of people and remove them from a situation of fuel poverty.

- Better targeting would be achieved by focusing on the 10% of homes with the highest energy consumption that consume over 20% of energy.

Regulation and Enforcement

- To tackle the climate change challenge, there needs to be a really strong push, and regulation is a major lever. When you consider the amount of money that is at stake here – £600 billion to £1 trillion, then that is a very attractive proposition for fraudulent businesses. Regulation is essential for building consumer confidence and trust and reassuring people that they are being given the right solutions.
- The second aspect of the need for effective regulation is to ensure that there is a level playing field for businesses. If we want businesses to do the right thing, if we want them to innovate and invest (and even take a gamble in some cases) they need to be assured that their competitors are not going to be able to undercut them unfairly. If businesses are required to perform to the same regulatory baseline in terms of standards and customer care, then they compete above that baseline. This makes it harder for poor performing businesses and rogue traders to operate.
- Where there are examples of poor work, there need to be tough consequences, and therefore tough, effective regulation needs to be in place so that action can be taken against rogue installers, and those that fail to improve from their poor performance. Having appropriate penalties in place, will not only put other rogues off, but will also drive consumers to think carefully about who they do business with.
- However, regulation without monitoring and enforcement is meaningless. Research by Unchecked.uk found that the total net spend by Local Authorities on trading standards services in England dropped by 52% from 2009-2019. These cuts have resulted in reduced staffing levels, reduced investigations, reduced enforcement, and ultimately, reduced protection. A prime duty of government is to protect its citizens; therefore, increased trading standards capacity is a must.
- This critical lack of enforcement at the front line is a key part of the problem. But it is not just about a lack of enforcement in terms of downstream activity, it is also about the preventative activity that needs to happen upstream as well. Therefore, there need to be single, bona fide points of contact to help consumers make the right decisions.
- Regulators need to ensure that businesses get the right advice to encourage them to do the right thing and know that prosecution will follow if they are doing the wrong thing. There needs to be a system for identifying bad installers and ensuring that consumers can get redress through robust warranties without having to rely on statutory legislation.

Training and registration

- There are insufficient skilled and qualified people to do the work across all of the trades and roles involved in retrofit. It is essential that capacity and skills are increased across the supply chain. To achieve this, there need to be comprehensive programmes in place to encourage young people to come into the industry. Effective apprenticeship schemes are key to this. The existing workforce needs to be retrained and upskilled.
- Frequently, retrofit solutions involve integrated, multiple technologies. Therefore skills training and qualifications need to reflect this. The lack of skilled tradespeople could lead to consumers turning to incompetent traders, leading to considerable consumer harm. There is also the danger that in the context of the cost of living crisis, people will tend to turn to the traders that offer the least expensive solutions – potentially traders who are unregistered and unskilled who will put in place unsafe and ineffective solutions.
- Currently, there are significant gaps in registration requirements. With the exception of gas, existing registration schemes are not compulsory with the exception of services provided to low-income consumers eligible for the eco scheme or other government funding. Therefore, for those who can afford to pay, it is possible for work to be done legally by unregistered installers who may or may not be competent. Good registration schemes, coupled with codes and standards, can provide the assurance that if something goes wrong complaints are handled appropriately and if they cannot be resolved they are backed by an Alternative Dispute Resolution (ADR) scheme.
- However, the cost of trader compliance with registration schemes is an issue. It has been estimated to be around 40 pence in the pound. There is a genuine question as to how you get someone who is funding retrofit out of their own pocket to recognise the need for the more expensive registered contractor.. There are 24 million homes where these protections will be voluntary, and people do not recognise that they need them. This is a challenge that needs to be resolved.
- There are two obvious gaps in the framework currently. One gap is at the front end – as a consumer who do I speak to first? Because in all probability that is the person who will be guiding me through the entire journey. The other gap is at the end of the process. Who is doing the monitoring and evaluation? As a consumer, what verification will I have that the work done to my property has been done correctly, and that I have, or can access all the information that I need? If I sell the property, how does the solicitor use that information and how is it transferred to the next owner/occupier?
- As a homeowner you need independent advice. You need to understand that the decisions you make are the right ones for your property, not simply the decisions that an installer makes for you. You want to make sure that the person who is going to do the job is assessed as competent to do the work, and that your property is fit for the measures they are recommending. There is a need for

competent, independent retrofit advisors. The IAA is currently developing a qualification on retrofit advice.

- Consistent standards can help to define what a good business looks like and what good consumer protection looks like. However, if standards are pitched too high, there is a risk of over-regulating and putting businesses at a disadvantage. If they are set too low, there is a danger of not doing what needs to be done to assure consumers. Standards need to be pitched at the right level so that the market works effectively and people are protected and get what they need. This will have the effect of creating a more hostile environment for those who do not want to comply, because people will be better informed and tradespeople will know what is expected of them.
- In terms of existing standards, the Renewable Energy Consumer Code (RECC) approved by the Chartered Trading Standards Institute, has very high standards of core criteria. The Microgeneration Certification Scheme (MCS) provides the installer and product standards for the vast majority of systems that are installed in the able-to-pay sector in terms of small-scale renewables. One of the conditions of micro generation certification is that installers must be a member of a Chartered Trading Standards Institute (CTSI) approved consumer code.
- EPCs have an important role to play but it is widely acknowledged that they currently have limitations. It has been estimated that up to 2.5 million Energy Performance Certificates (EPCs) are likely to be inaccurate. One in four EPCs record the size of a property so inaccurately that it varies by more than 10% from the true size of the property. This is due to the use of outdated methods of property area measurement in the EPC calculation process. If EPCs are to be of value to consumers in terms of what they need to do to their homes, they need to be reformed so that they are more accurate and their use can be expanded.

Consumer confidence and vulnerability

- Consumer confidence is broadly speaking at its lowest for 40 years. Given that retrofit involves significant expense, requires significant knowledge and expertise of installers and is invasive in terms of the home, all consumers are potentially vulnerable to poor advice and poor installation.
- Consumers need to be confident that what is installed is going to be effective, and will save them money. They need to be confident that they will be properly protected and have redress if things go wrong. To build consumer trust and confidence there needs to be adequate regulation, monitoring and enforcement coupled with impartial, individualised, holistic advice and availability of better, more reliable, independent information.
- The affordability of retrofit solutions in the context of the cost of living crisis is a key issue. Existing initiatives focus on those that cannot afford to make energy savings in their homes other than by switching off their appliances and their heating. These initiatives are vital to help the most vulnerable and disadvantaged. However, given that for many in the most disadvantaged homes, energy saving

currently means living without heat, retrofit grants for low income and the most vulnerable people need to be stepped up.

- In the able to pay homeowner sector (which is the largest group of UK households) none of the support or protections that apply to lower-income, grant funded homes are available. Right now there are no realistic incentives for people in that sector to decarbonise, other than a slight, financial incentive to increase energy efficiency. For example, why would you put £15,000 of your own money into installing a heat pump, when the resultant energy cost saving is very unlikely to be commensurate with your investment? This issue needs to be addressed.
- The reality is that many people, who are currently not eligible for grants, cannot afford the high cost of retrofit, particularly in the context of the cost-of-living crisis. So there needs to be much more thought about what sort of financial support and products are needed to help consumers. It might be low interest loans; it might be loans that are attached to properties rather than to the individual. Consumers need to be made aware of what is available in this respect. There are good examples that can be borrowed from other countries.
- Then there is the challenge of finding a qualified and reliable installer. If you are eligible for a government-funded programme or for the ECO programme, you get a Trustmark accredited installer. If you are a private individual looking for yourself, then it really is a bewildering landscape. Government retrofit incentive schemes are needed for this sector, not only to provide a financial incentive, but also to ensure that certified installers are used and there is a means of redress if anything goes wrong.

Consumer motivation, education and advice

- Talking about the climate change as an abstract environmental problem does not engage consumers effectively. The climate crisis is a health crisis, it is an economic crisis and it is a social crisis and that is the message that needs to go out to consumers and engage them.
- We vastly overestimate how aware people or the householders are about insulation. Awareness has grown as a result of the energy crisis, but there are still a lot of people who are not aware of what insulation their home has. They may assume that they simply live in a cold house and there is nothing that can be done about it. So much more could be done on the awareness aspect. Media campaigns have a potentially important role to play here (see below).
- When the retrofit journey is mapped out it is very evident that this is a really difficult, complex and costly journey for consumers. There are many retrofit guides online but with numerous different versions of the truth and the ensuing complexity and confusion is an invitation to rogue traders and scammers to capitalise on the situation.
- Unfortunately, while there is some good online information consumers do not always find it. They end up on a magazine site, or a lead generation site rather

than the Energy Saving Trust (EST) site or the government site. There are some good models for one-stop shops in Scotland and Ireland.

- What works for one home will not necessarily work for another. However, there is a need for clarity and simplification of messaging so that consumers can relate potential solutions to the characteristics of their homes. The right information needs to be accessible and available at the time they need it on their journey. Consumers need to be involved in what is required and how it is presented.
- The Competition and Markets Authority (CMA) are currently researching the green heating and home insulation sector in terms of consumer experiences when they are considering or actually buying products and business practices. Products include heat pumps, home solar systems, biomass boilers, home insulation and hydrogen blend or hydrogen capable boilers. The objective is to see whether any action needs to be taken to ensure that consumers are treated fairly in the sector, and that businesses understand their consumer law and wider obligations. Given the expected growth in the sector, the CMA is also horizon scanning to identify and try to stop any poor practices, challenges or risks becoming embedded in the sector.
- It is good to hear that the government is investing in its own central point of information and advice, but from a consumer trust perspective there is virtue in having an independent source. The EST is a very good source, but apart from in Scotland, it is no longer funded by government and its offering has become much less extensive. Financial support from government to the EST would be welcomed.
- Generic advice is all very well, but at some point consumers want advice that is tailored to their home – a bespoke and customized pathway that provides guidance and includes referral to an accredited and trustworthy installer in their local area.
- An important aspect of consumer education is developing awareness of the consequences of taking the wrong advice. Consumers need to be made aware of just how bad some businesses are and the need to deal with registered, accredited tradespeople.
- Installers may have an important role to play in consumer education. While they are likely to be focussed primarily on the work they need to carry out, if it can be made easy for them to share more information with consumers, then a good opportunity to educate will have been created.
- There is a need for competent people to give retrofit advice. While there is a standard that maps out the role of a retrofit adviser, there is not yet a formal training scheme for this role. Typically, the role falls by default to the retrofit assessor, but he or she is there to assess the property, do a condition report and an occupancy assessment or determine a ventilation strategy. Those things can take a considerable amount of time and no room is left for advice about the overall retrofit journey.

- Is there a need for a large body of trained and qualified people nationally, perhaps working from home, who can provide impartial, tailored advice to guide consumers on their retrofit journeys? Their role could be something like that of a financial adviser or mortgage broker.

Messaging and media

- Given that people access information from a wide variety of sources, there needs to be simple and consistent messaging across multiple channels, from television to social media and print. There need to be sustained media campaigns (just as there were major media campaigns around Covid and smart meters) to drive that simple and consistent message, which needs to include the importance of using accredited installers. The same message needs to go out again and again if it is to have the desired effect. Linking incentives to media campaigns is likely to improve consumer receptivity, create an appetite and drive local conversations.
- Both the good news stories and the bad news stories need to be told. The good news stories incentivise consumers and help to drive them towards the regulated space. The bad news stories warn them against using unaccredited installers and the potential for being scammed. This is important, because whenever there is a major public education campaign of this type, the fraudulent businesses home in immediately. Regulation and enforcement are preconditions for media campaigns to have the desired impact.

Peer to peer engagement and consumer groups

- Centralised information and national media are important, but peer-to-peer engagement is absolutely critical for pushing retrofit forward. So while information needs to be standardised centrally, peer to peer delivery of messages at community level is more likely to engage and build trust.
- Local climate change groups, although in their infancy could be highly beneficial in providing leadership and community support through collaboration, signposting and motivating individuals to engage with retrofit. They have the potential to help people in their communities avoid problems, access trustworthy traders and benefit from the experiences of others.
- When schemes are delivered in a neighbourhood, it gets people talking. Local groups can capitalise on this to encourage community engagement. Collaboration between local groups across the country could be a powerful driver for retrofit nationally. However, trust can only be built at a local community level if there is effective monitoring and enforcement.
- A national panel could provide a national homes retrofit report using feedback from local communities to make grassroots experience and realities available as a national voice.

11. ROUND UP DISCUSSION – MAKING IT HAPPEN

Arnold Pindar, Chair, National Consumer Federation

- We have heard from the government about what they are doing and we have looked at the need for zero carbon homes from both the consumer and local community perspective. Existing initiatives focus on those that cannot afford to make energy savings in their homes other than by switching off their appliances and their heating. These initiatives are vital to help the most vulnerable and disadvantaged.
- However, we have questioned whether better targeting would be achieved by focusing on the 10% of homes with the highest energy consumption that consume over 20% of energy. It is good to hear that the EPC certificates are now under some scrutiny to see if they can be improved and refined.
- What we need now is a follow through to make sure that everyone else, those that can afford to pay, are motivated and have the knowledge to make the right choices. This is a major challenge, not helped by the fact that people have been worn down by the austerity years, the pandemic years and now the cost of living crisis.
- We are asking for a major commitment to zero carbon, and we need to work collaboratively to identify how we can achieve the essential motivation to meet our zero carbon goals. This needs some serious work. Evidence from our own research through Facebook indicates that there's a very, very long way to go to engage with and motivate the general public to these goals.
- We have raised concerns about the poor performances of businesses, particularly those that are outside the regulatory schemes and the worry is that individuals who can afford to pay, probably will not be able to get hold of a regulated installer and will have to go somewhere else, because there are simply not enough regulated installers to be able to do the work required.
- We have suggested that given the appropriate support, advice and training, local climate change groups have the potential to help people in local communities to avoid problems and to benefit from the experiences of others. However, we will not build sufficient trust in our communities unless there is effective monitoring and enforcement by the authorities.
- This is something the NCF would like to work with CTSI on. There has been an enforcement group in the National Consumer Federation for some years. It rather died during the COVID period and we need to reinvigorate that group, including reconsidering proposals we made to improve the regulators code (which was between the regulators and the regulated rather than the regulators, the regulated and consumers).
- Following this Congress we will be going through all the gems that have been presented and discussed today and we will prepare a report that we will circulate to all Congress participants and more widely. But this is only the start. To make it happen we need to follow through so that everyone, including those that can afford

to pay and make the right choices, press ahead with rescuing their home energy consumption and contribution to net zero.

- We must develop pathways to ensure that zero carbon homes fully contribute to the climate change goals. The path to zero carbon affects us all. We would like to know who is prepared to work with us to develop these pathways. From experience I am keen to have representatives from all interests to ensure that we have a balanced approach to making UK homes zero carbon.

12. ANNEX – CONGRESS PROGRAMME

Moderator: Derek Owen, Director, Healthy Home Solutions (HHS)

10.30 Reception, coffee & exhibition

11.00 Welcome and introduction **Arnold Pindar**
Chair, National Consumer Federation

11.10 Climate change policies and goals for homes **Lord Callanan**
Parliamentary Undersecretary, Department for Energy Security and Net Zero (DESNZ)

11.25 Key programmes, priorities, opportunities and challenges **John Alison**
Deputy Director, Net Zero Buildings Strategy, DESNZ

11.40 NCF position on current situation and priorities **Pete Eisenegger**
Director, National Consumer Federation

12.00 Protecting vulnerable households **Helen Lord**
CEO, Vulnerability Registration Service

Making the most of data **Derek Owen**
Director, Healthy Homes Solutions

12.25 Community contribution to zero carbon **Arnold Pindar**
Chair, National Consumer Federation

12.35 Open discussion **All**

14.00 Panel discussion 1 – Motivation and choice **Andrew Brown**, *Trade Engine*
David Cowburn, *NAPIT*
Nigel Donohue, *Installation Assurance Authority*
Ben McCallan, *Zero Carbon Guildford*
Ben Meredith, *TrustMark*

15.15 Panel discussion 2 –

Martyn Allen, *Electrical Safety First*
Phoebe Clay, *Unchecked UK*
Virginia Graham OBE, *Renewable Energy Consumer Code*
John Herriman, *CTSI*
Cara Holmes, *Citizens Advice*
Justin Macmullan, *Which?*

16.15 Round-up discussion – making it happen

Arnold Pindar
Chair, NCF

16.30 Close