

Warm and comfortable homes
Inquiry
Energy Security and Net Zero Committee

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This submission is from UK100 which is a network of 120+ strategic and local authorities and the only network of ambitious councils led by all political parties working together to tackle climate change. We help local leaders overcome challenges and turn innovation into solutions that work everywhere. We build the case for the powers needed to make change happen. From cities to villages, we help communities across the UK create thriving places powered by clean energy – with fresh air to breathe, warm homes to live in, and a healthy natural environment.

Please get in touch if you would like to know more or explore our response in more detail. We would be happy to provide a UK100 representative or member for any follow up discussions.

Q1. Has the Government been focussed on delivering its Warm Homes Plan?

There has been a welcome shift in the right direction, but delivery now needs to match the ambition of the Warm Homes Plan. The £15 billion investment is a significant commitment and the move towards area-based, non-competitive delivery is particularly welcome. The Plan also recognises the important role of mayors and local government, reflecting evidence that retrofit is more effective when it is coordinated locally and linked to wider housing, regeneration and energy priorities.

- **However, Government needs to provide greater certainty about the longer-term delivery model.** Previous stop-start approaches to retrofit funding have weakened local and market confidence, disrupted supply chains and made it harder for councils to build the capacity needed for sustained delivery. Multi-year funding settlements and clear long-term policy and regulatory direction will be essential if the Warm Homes Plan is to create a lasting market rather than another cycle of short-term programmes.
- **The Plan is also being delivered against an increasingly uncertain local government landscape.** The Government has now paused and launched a review of its local government reorganisation programme, withdrawing decisions in places. This creates further uncertainty for councils planning

retrofit programmes, staffing and investment, particularly where they have been preparing for new unitary structures and the transfer of responsibilities. Government should ensure that the Warm Homes Plan is resilient to these changes and that existing retrofit capacity, partnerships and delivery pipelines are protected during the transition.

- **The Plan also needs to recognise the capacity required to deliver at scale.** Capital funding alone will not be sufficient. Councils need resources for programme development, technical expertise, procurement, coordination, engagement and enforcement, alongside investment in local supply chains and installer skills. Members have also highlighted the administrative burden associated with funding schemes, including compliance and fraud checks, which can absorb significant local authority capacity.
- **Local leadership should extend beyond mayoral areas.** The Plan's ambition to put mayors "in the driving seat" is welcome, but not all parts of England are covered by combined or strategic authorities with the same powers, funding arrangements or capacity. The Government should ensure that the benefits of area-based delivery are available across England and that all local leaders have a meaningful role, avoiding a postcode-dependent approach to access and delivery.
- **There is also a need to ensure the Plan supports the whole range of homes and households that need improvement.** A growing focus on electrification should not come at the expense of energy efficiency and fabric improvements, particularly in hard-to-treat homes and those occupied by households experiencing fuel poverty. The Plan should continue to support whole-home improvements, including insulation, ventilation and indoor air quality, alongside appropriate heating and cooling solutions.
- **Finally, Government should use the Plan to build consumer confidence as well as install measures.** Previous quality problems and fragmented consumer journeys have undermined trust in retrofit. Trusted local advice, clear information, strong quality assurance and effective redress will be critical to increasing uptake, particularly among households that may be uncertain about taking on the disruption or cost of retrofit.

Q2. Where should it be prioritising its efforts to deliver the Plan?

UK100 believes Government should focus on building the conditions for long-term, place-based delivery at scale, while ensuring that funding reaches the households and homes with the greatest need.

- **Give local and strategic authorities a central role in delivery.** Local authorities, combined authorities and strategic authorities are well placed to understand local housing need, identify priority households, coordinate delivery and link retrofit to Local Area Energy Plans, housing, regeneration and wider economic priorities. The shift towards area-based delivery is

therefore welcome, but the role should extend beyond mayoral areas so that all parts of England can benefit from locally coordinated programmes.

- **Provide long-term funding and certainty.** Stop-start funding has made it difficult for councils and businesses to build delivery capacity, invest in supply chains and retain skilled staff. Multi-year settlements, clear future funding arrangements and a stable regulatory framework would give councils and the market the confidence to develop pipelines and invest at scale.
- **Invest in local delivery capacity and supply chains.** The Plan needs to fund the people and infrastructure required to deliver it, not just the physical upgrades. This includes programme development, technical expertise, procurement and coordination within local government, as well as installer training, local supply chains and manufacturing capacity. Greater certainty of demand will help businesses invest and reduce costs over time.
- **Use public funding to unlock wider investment.** Government-backed loans, guarantees and other forms of concessional finance can help bring private capital into the retrofit market, but Government will need to absorb some early-stage risk while area-based models and the market develop. Aggregating projects through local and strategic authorities can make smaller schemes more attractive to investors and reduce transaction costs.
- **Support delivery across different housing tenures.** Area-based programmes should be able to work across owner-occupied, private rented and social housing where this makes sense locally. This can aggregate demand, reduce delivery costs and help address the tenant-landlord split incentive, while allowing different forms of grant, finance and landlord contribution to be combined.
- **Build trust through strong consumer protection.** Quality failures from previous programmes have damaged confidence in retrofit. The Plan should therefore be accompanied by clear standards, trusted suppliers, effective redress and impartial advice, building on established good practice such as the MCS standards and scheme rather than creating unnecessary new or duplicative processes.
- **Integrate retrofit with wider health, housing and economic objectives.** The case for investment should not be based on carbon savings alone. Warmer, healthier homes can reduce fuel poverty, improve health and wellbeing, reduce pressure on health and social care, and support local jobs and economic development. These wider benefits should inform how programmes are designed and assessed.
- **Address the gap in public buildings alongside homes.** While the Warm Homes Plan should remain focused on homes, Government should also address the absence of a successor to the Public Sector Decarbonisation Scheme. Schools and hospitals are important parts of the wider transition to warmer, healthier and more efficient buildings, and the loss of a major

source of public-sector retrofit funding risks weakening local delivery pipelines and supply-chain capacity.

Q3. Are the Government's ambitions for the Warm Homes Agency deliverable in time to make a difference to the 2030 clean power mission?

The ambitions are achievable, but the timetable is extremely demanding. The Warm Homes Plan aims to upgrade up to 5 million homes by 2030 and grow the heat pump market to more than 450,000 installations a year. There were 84,000 heat pump sales in 2024, so annual deployment will need to increase more than fivefold from that level. Homes and buildings account for around one fifth of UK emissions, making progress in this area important to the wider clean power and decarbonisation agenda. The WHA therefore needs to be operational quickly and focused on removing barriers to delivery. There are various challenges and priorities for the sector.

- **Build a stable market:** Provide long-term funding, clear regulation and a reliable pipeline so businesses can invest with confidence.
- **Plan for scale-up:** Set out what happens when current funding ends, giving industry certainty to invest in training, skills and supply chain capacity.
- **Provide stable, long-term funding:** Move away from short-term competitive pots towards multi-year, non-competitive funding settlements that give councils and the market certainty to plan and invest.
- **Use existing local capacity:** Build on the expertise of councils, strategic authorities, community energy organisations and local advice services rather than creating parallel systems.
- **Put private finance in place:** Develop a clear plan for using public funding to de-risk and unlock private investment alongside grant funding.
- **Develop the workforce and supply chain:** Invest in the installers, technical expertise and local delivery capacity needed to meet the scale of demand.
- **Make the consumer journey simpler and trusted:** Provide impartial advice, trusted suppliers, clear quality standards and effective redress.
- **Deliver through area-based approaches:** Support local authorities to aggregate demand across neighbourhoods and tenures to reduce costs and make whole-home improvements easier to deliver.

The WHA should therefore focus on making the system work better as a whole. It should provide clear national standards, data, consumer protection, impartial advice and coordination, while connecting effectively with the organisations already delivering on the ground. It should also create mechanisms to capture learning from local programmes and feed this quickly back into national policy and funding design. This will be particularly important during the current uncertainty around local government reorganisation, where existing expertise and delivery partnerships need to be protected.

The test of the WHA should be whether it accelerates delivery, not simply whether it creates a more coherent national structure. The Agency cannot deliver the 2030 ambition alone: it needs clear responsibilities, sufficient resources and strong working relationships with local and strategic authorities and the wider sector from the outset. Its success should ultimately be judged by whether households are being upgraded at the pace required, whether supply chains and skills are keeping up, and whether the system is becoming simpler and more trusted for consumers.

Q4. Should the Agency have a focus on comfortable homes (warm in winter, cool in the summer) rather than simply focussing on heating solutions?

The Agency should have a clear focus on **comfortable, healthy homes year-round**, rather than treating heating solutions as the primary measure of success. The experience of summer 2026 shows why this is increasingly important: 56% of people reported that this year's heat disrupted their work, exercise or sleep, while 46% were unable to cool their homes to a comfortable temperature. With the Climate Change Committee warning that 92% of homes could be at risk of overheating by mid-century, this needs to be built into the Warm Homes Plan now rather than addressed as a separate adaptation challenge.

- **Adopt a whole-home approach:** The WHA should consider warmth, overheating, energy efficiency, ventilation, indoor air quality and heating and cooling together when supporting home improvements.
- **Prioritise passive cooling first:** The Agency should promote measures such as insulation, shading, ventilation and building design before relying on energy-intensive air conditioning.
- **Address affordability:** With 78% of people saying they would struggle to afford the retrofit measures needed to cope with future heatwaves, public support must reach households least able to adapt themselves.
- **Get new homes right:** The WHA should work alongside wider building policy to ensure new homes are designed to remain comfortable in both winter and summer, rather than relying on costly retrofits later.
- **Target those most at risk:** Support should prioritise people living in poor-quality homes and groups particularly vulnerable to heat and cold, including older people, children and low-income households.
- **Support local delivery:** The WHA should provide local authorities with practical guidance, tools and proven solutions that can be adapted to local circumstances.
- **Make heat resilience a funding requirement:** Relevant Warm Homes funding should require projects to consider and incorporate measures that improve resilience to overheating and extreme heat, adapted to the needs of each home and local area.

Q5. Is there optimism that the agency will deliver more coherent delivery of energy efficiency and a range of modern heating/cooling solutions in domestic properties?

There is potential for the Warm Homes Agency to make delivery more coherent, but its success will depend on how the Warm Homes Plan is delivered in practice. The mechanics of delivery, including the division of responsibilities, funding arrangements, relationship between national and local delivery, and how the Agency works with existing organisations, will determine whether it simplifies the system or adds another layer to it. The Agency will be most effective if it provides clear national standards, information, consumer protections and coordination, while strengthening the role of local and strategic authorities and building on existing local delivery, advice and supply chain capacity. Coherence should not mean centralising delivery or creating a single national process: the test should be whether the system becomes simpler for households and easier for those delivering retrofit and clean heating and cooling solutions.

Q6. What should the role of the sector be in regulation of the sector and linking consumers with trusted suppliers?

The sector has an important role in maintaining standards, supporting consumer confidence and connecting households with competent, trusted suppliers, but this needs to sit within a clear regulatory framework with strong accountability and effective enforcement. Government should set the overall standards and responsibilities, while making better use of established schemes, local authorities and trusted intermediaries rather than creating parallel systems.

- **Strengthen existing standards:** Government should build on established schemes such as the MCS, extending effective approaches to a wider range of retrofit measures rather than creating new accreditation systems where good infrastructure already exists.
- **Improve quality assurance:** Certification and auditing should be based on consistent minimum standards, with stronger oversight to prevent a race to the bottom between certification bodies.
- **Support local enforcement:** Local government should have the resources, capacity and technical expertise needed to enforce standards effectively.
- **Provide a clear route to redress:** Consumers need a trusted backstop where work is defective, including the ability to have work physically remedied by another competent provider rather than relying solely on financial compensation.
- **Make trusted suppliers easier to identify:** Consumers should have access to clear, impartial information on competent suppliers, quality standards, guarantees and redress, with local recommendations and established community organisations recognised alongside formal accreditation.
- **Strengthen local advice:** Local authorities, housing associations, community energy organisations and other trusted intermediaries can help households navigate complex retrofit decisions and connect them with appropriate suppliers.

- **Avoid a two-tier consumer journey:** The WHA should provide a coherent experience for households whether improvements are publicly funded or privately financed, while allowing trusted local organisations to remain part of the journey.
 - **Use the WHA to join the system up:** The Agency should set clear expectations across the sector, monitor performance and identify recurring problems, while working with existing regulators and delivery organisations rather than taking over every function itself.
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