



"We should all pack up and go home. It was fun while it lasted but the great British retrofit is over right?

Wrong"

Adecoe **Kemp House** 152 City Road London EC1V 2NX

info@adecoe.co.uk www.adecoe.co.uk

## A new dawn for retrofit funding?

You could be forgiven for thinking that things have never **been worse for retrofitting housing stock** – we have seen the death of the Green Deal funding, cuts in Eco, cuts in the Feed in Tariff, possible cuts in the Renewable Heat Incentive and the supplier obligation now under full review and many in government now treating it as a tax AND we are seeing £multibillion cuts in revenue for the social housing sector. We should all pack up and go home. It was fun while it lasted but the great British retrofit is over right? Wrong.

We would never argue that external funding wasn't a good thing, especially for developing new technologies and industries. And it always helped when making the case for retrofitting programmes to show that it brought in external funding. But it meant that the funding could be cut at any time, and ultimately that social housing wasn't fully in control of its own destiny.

Now we are seeing a new dawn emerging where social housing takes full control. And that doesn't mean they are now simply funding everything themselves. We are seeing exciting new opportunities emerging that will put providers in the driving seat and will mean that they are accessing sustainable sources of funding that they control.

We are working with social housing providers that are now looking at longer term programmes and developing the new approaches and sources of funding that are being made possible by changes in energy supply, tariffs, new technologies and the role out of smart meters. There's no silver bullet, but there is as new sense that we could be part of something pretty transformational.

A small, but important, part of this new approach is seeing exciting new opportunities in homes that are electrically heated which we outline in more detail later. If you want to know more then drop us a line.

We covered electrically heated homes in the last newsletter, but things have been moving at such a pace we wanted to keep you up to date with developments.

Over the last year we worked with The Guinness Partnership and others to look at better ways of assessing and tackling electrically heated homes – the two guides have now been published and are available to download here.

The project 'engine' was creating the alternative heating assessment tool that allows housing providers to balance the technical options with capex and revenue costs and corporate and customer targets, such as energy costs and carbon targets. In simple terms it allows providers to decide what measures work best for their homes and their customers and fully understand the costs today and going forward. Clients tell us it has helped to bring much needed clarity to choosing the right options.

As it turns out this has only been the starting point.

We are doing further work on this and what is becoming clear is that now is the time to radically rethink electric heating. Don't get us wrong, electric heating is not the answer in all situations, but it is no longer always the wrong answer either.

The key to this radical reappraisal has been finding new measures that tackle the traditional downsides to electric heating – their high energy consumption and cost, their lack of control and their carbon impacts.

With new energy supply options, energy generation management and storage options we can now offset those disadvantages and keep those positive elements of electric heating namely low capital and revenue costs, low disturbance to customers and low compliance and risk concerns.

Its time for a rethink on electric heating and below are five thoughts that providers are now having.

## Five thoughts in the electric dream

- New types of electric heating have made considerable improvements to the performance of traditional storage heaters. Find out more in our alternative heating guides.
- There are new ways of generating, storing and supplying energy that compliment electric heating and do not add significant costs and in some cases generate revenues.
- Many of the disadvantages of electric heating can be offset – including their higher energy consumption and cost and lack of control
- 4. We should all remember electric heating still has many advantages – they have low capital and revenue cost, lower disturbance and risk for upgrades with lower compliance requirements.
- 5. Many of the new developments will be made even better by the installation of smart meters that can help customers lower costs and manage energy consumption better. To understand more download our Smart Meter Guide.

## ......Free Heat Pump Resources Now Available......

Following the successful heat pump road-shows we helped to deliver for DECC, there is now an online resource and training available for anyone interested in heat pumps and how they can be used to improve homes and reduce energy costs.

Click Here for more details