



# 3C Green Deal: How well are social landlords prepared?



building brighter futures...  
for people and communities

## The Green Deal for Social Housing Providers

Department of Energy & Climate Change



The Green Deal helps you make energy-saving improvements, like insulation, to your social housing stock, keeping homes comfortable for your tenants.

This scheme lets tenants pay for some or all of the improvements over time through their electricity bill. Repayments will be no more than what a typical household should save in energy costs.



### An example of how you could improve your social housing stock



**Our Aim:**  
**Social housing = Affordable housing**



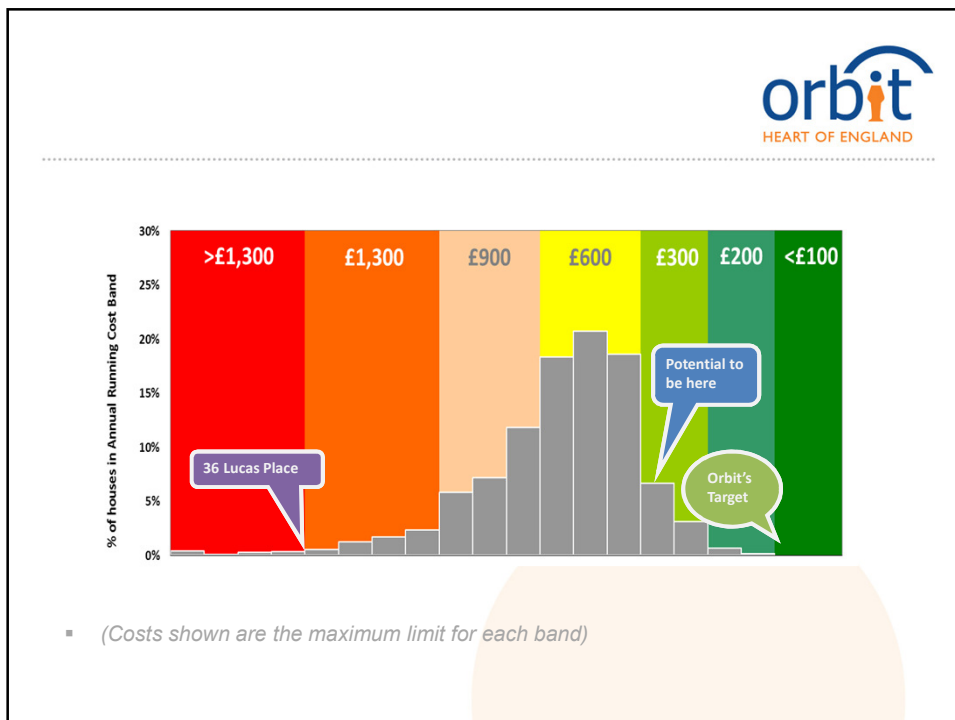
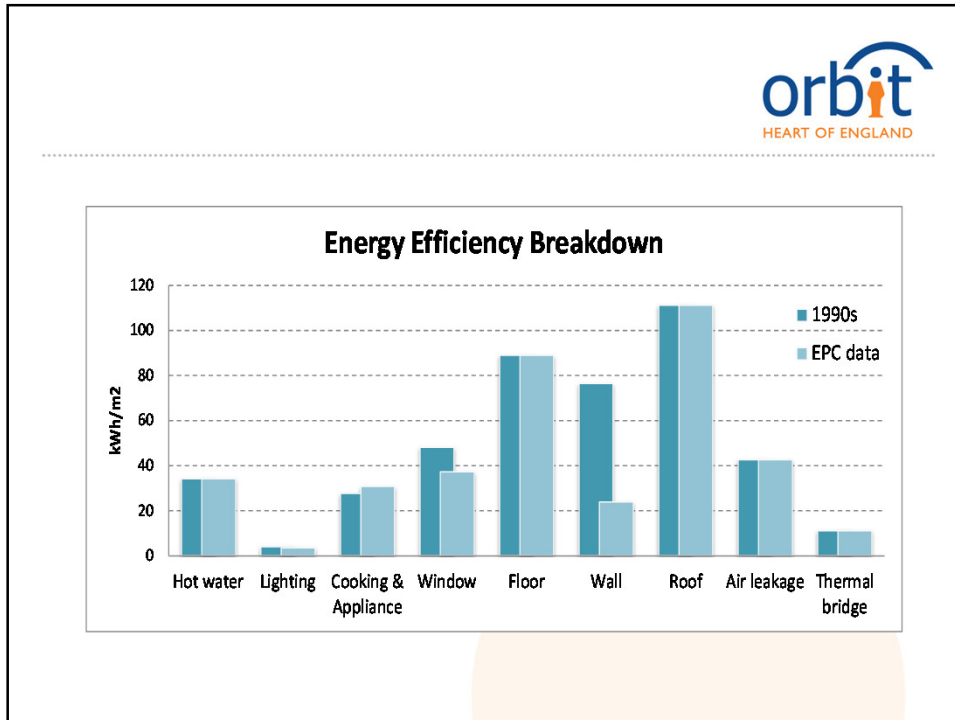
**Key drivers:**

- Eliminate fuel poverty (25% of OHE households)
- Reduce energy demand – Minimum 'C' EPC banding
- Meet Decent Homes Standard
- Achieve 2020 (34%) & 2050 (80%) carbon reduction targets
- Identify capital investment/grant funding
- Create viable assets & sustainable communities
  
- Meet our social and commercial responsibilities
  - Sustainability/asset management strategies

**Process**



- **Diagnose property ailments:**
  - Energy performance & stock data
  - Occupant's behaviour/influence
- **Define remedy:**
  - 'Fabric first' before technology = investment needs
  - Provide advice and guidance
- **Monitor outcomes**
  - Affordability
  - Effectiveness of measures
- **Research & Development**
  - Academic institutions - KTP Project + researchers



## Green Deal Suitability?

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- suitability for social housing?
  - will savings be achieved – Golden Rule
  - Confidence in 'measures' achieving energy reduction
  - will comfort levels be increased
  - competing with rent
  - ethical and moral dilemma
  
- should social housing stimulate Green Deal

## Building Retrofit Network

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- Retrofit a range of tenures in Milton Keynes - >600 homes
- Legal partnership – Community Interest Company
  - Milton Keynes Council
  - Orbit
  - National Energy Foundation
  - United Services Energy Agency
- Fund - £4.5m – carbon off-set + third party
- Green Deal type loan facility – 3% interest
- Grant opportunities

## Building Retrofit Network



- Sponsor partners – supply chain development
- DECC support – GD Pioneer Places funding
  - BRN/GD show home – rent loss funding
- Link to low energy/stock investment plans
- Estate/community initiative – avoid pepper-potting
  - Commercial value
  - Status and perception – local/national context
  - Creating template

## Alternative Funding Opportunities



- ECO
  - Carbon saving obligation
  - Carbon saving communities obligation
- Organisational 'charge'
  - Gentoo Group – Energy Saving Bundle Report
- Other sources
  - Pension funds, bonds etc
  - Tariffs
  - BRN – Building Retrofit Network

## Investment plans



- Do your investment plans relate to energy reduction?
  - How is your investment generated?
- Linking energy reduction (affordability) to asset viability
- What 'energy standard' will you aim to achieve?
  - Orbit Warm Homes Standard
    - New build & retrofit
- Low energy measures – costs
  - Supply chain development

## Customer engagement



- What are your intentions?
  - Issue a position statement to customers
  - Gentoo scenario
  - Service equality



	F&G Properties	D&E Properties
No. of properties	141	4,438
Estimated cost to bring to EPC C	£803,500	£36,287,497
Estimated cost to bring to EPC C & 35kWh/m <sup>2</sup> /yr	£1,675,250	£59,679,106
Estimated cost to bring to EPC A & 35kWh/m <sup>2</sup> /yr	£2,875,500	£102,436,812



**Thank You**