

Green Homes Grant Scheme: Overview Paper

The engagement of households to reduce their carbon footprints is essential to the achievement of the UKs 2050 net zero target. Whilst average household carbon emissions have fallen by 40% between 1990 and 2017, the reduction trend has been relatively flat in the latter half of the $2010s^1$. To reach net zero by 2050 we need to decarbonise domestic heating, an issue that hasn't been widely addressed in previous decarbonisation efforts². As of 2019, fewer than 200,000 homes have engaged in renewable heating, such as heat pumps, with public attitudes suggesting that 48% of the population do not realise that gas consumption is a source of domestic CO₂ emissions³. Energy efficiency improvements for domestic properties are an important step in reducing domestic energy demands and thus reducing resulting domestic CO₂ emissions.

The green homes grant (GHG) is a new scheme from central government, which aims to kick start energy efficiency improvements to domestic properties across England. This scheme aims to support the transition towards net zero (by 2050), whilst also encouraging and supporting jobs with the green construction sector. This grant will: make 600,000 homes more energy efficient, help stimulate economic activity within skilled sectors, save money on household energy bills (up to £600 a year) and reduce carbon emissions from within the domestic sector.

The government will provide vouchers to cover the cost of the energy efficiency improvements by up to two thirds, up to maximum voucher of £5,000. A low-income voucher is also available, whereby the government will cover the full cost of the energy efficiency improvements, up to £10,000.

Below is a breakdown of each primary and secondary measure applicable to the scheme:

Primary Measures:

Insulation

- Solid wall
- Cavity wall
- Under-floor (solid floor/suspended floor)
- Loft
- Flat roof
- Room in roof
- Park home insulation

Low carbon heat

- Air source heat pump
- Ground source heat pump
- Solar thermal
- Biomass pellet boilers

Secondary Measures:

Windows and doors

- Drought proofing
- Double / triple glazing (where replacing single glazing)
- Secondary glazing (in addition to single glazing)
- Energy Efficient replacement doors (for single glazed or solid door installed pre 2002)

Heating controls and insulation

- Hot water tank thermostats
- Hot water tank insulation
- Heating controls (e.g. smart heating)

¹ Committee on Climate Change (CCC)., 2019. Net Zero – Technical Report.

² Committee on Climate Change (CCC)., 2020. *Reducing UK Emissions: 2020 Progress Report to Parliament*.

³ Committee on Climate Change (CCC)., 2020. Reducing UK Emissions: 2020 Progress Report to Parliament.

Vouchers must be used for the installation of a minimum of one primary energy efficiency measure; however, low carbon heat measures are only applicable where the home is already suitably insulated. As long as one primary measure is included in the improvements, households will also be able to install a secondary measure. If a household installs a secondary measure, the measure will only be subsidised up to subsidy cost provided to the initial primary measure.

Replacement measures are not included in the scheme, however top up measures are included. This could be to improve previously installed energy efficiency measures up to their recommended level. Supplementary costs and professional services are also covered by the voucher. A list of the services included can be accessed via the website below:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file /914914/Consumer_additional_information_0492020.pdf

The Simple Energy Advice website offers a tool to identify your eligibility to the green homes grant and what home improvements you could apply for. Further information on each energy efficiency primary and secondary measure listed above can be found on the Simple Energy Advice website: https://www.simpleenergyadvice.org.uk/pages/green-homes-grant.

Eligibility:

General eligibility is based on the following criteria:

- All owner-occupied homes.
- Landlords of private rented sector domestic properties.
- Landlords of social sector domestic properties.
- Park homeowners (residential sites).
- Your property must be situated in England only.
- You must not be receiving money as part of the Local Authority Delivery Scheme.
- If you are a landlord, then you are not eligible for the low-income voucher.
- Your property is not eligible if it's a new build or non-domestic.

The low-income grant eligibility is based on if a household receives a least one of the following benefits:

- Income based Jobseekers allowance (JSA)
- Income based Employment & Support Allowance (ESA)
- Income Support (IS)
- Pension Guarantee Credit
- Working Tax Credit (WTC)
- Child Tax Credits (CTC)
- Universal Credit (UC)
- Disability Living Allowance (DLA)
- Personal Independence Payment (PIP)

- Attendance Allowance
- Carer's Allowance
- Severe Disablement Allowance
- Industrial Injuries Disablement Benefit
- Contribution based Jobseekers allowance (JSA)
- Contribution based Employment & Support Allowance (ESA)
- Housing benefit

See the below website for any addition information regarding eligibility or what the vouchers cover: <u>https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/906544/ghg-additional-information.pdf</u>.

Applying:

Vouchers can be applied for from the end of September 2020. The voucher must be redeemed, and home improvements must be completed by the 31st March 2021. When applying for the voucher you are required to provide information for the measure you want and the chosen tradespeople to administer the improvements. Therefore, prior to applying for the voucher you need to contact the accredited local tradespeople for a quote (to be carried out via physical inspection where possible). You are required to complete the Simple Energy Advice survey to access the providers and applicable measure for your home.

We recommend following the below applying procedure:

- Check the Simple Energy Advice website to see if you are eligible for a voucher.
- Use the Simple Energy Advice survey to identify applicable home improvements.
- Through the survey, choose your required improvements to view an estimated cost.
- Contact providers for a quote prior to applying for the voucher, from the list of accredited providers in your area.
- Once you are happy with your quote then you can apply for the grant funding.

It is important to obtain a quite prior to applying for the voucher, to ensure enough time to claim the voucher and get the work completed by the 31st March 2021. However, you must only enter a commitment with providers once you have received confirmation that your green homes grant voucher has been accepted.

Savings:

Below are potential savings from home energy efficiency improvements that are covered by the Green Homes Grant⁴.



⁴ Energy Saving Trust., 2020. *Green Homes Grant Scheme*. Available at:

https://energysavingtrust.org.uk/home-insulation/green-homes-grant-scheme. Last accessed on: 25/09/2020.