## The Warm Homes Amendment



May 2011

The significant contribution to the UK's carbon emissions from the building stock (43 per cent overall – 26 per cent from homes) means that an ambitious programme of low carbon retrofit is an essential part of meeting the commitments in the UK Climate Change Act.

The UK urgently needs a green overhaul to cut climate-changing emissions as fast as the science says we must. The Committee on Climate Change has repeatedly warned the Government that a 'step-change' in the pace of action to reduce emissions is needed.

The Government's Energy Bill is a massive opportunity to kick-start the green overhaul we so urgently need. But as it currently stands the Bill is simply not up to the task.

The Warm Homes Amendment to the Energy Bill would raise the bar of the Government's ambition on energy efficiency – and require it to produce a proper strategy to explain how it was going to get there.

## Why the Energy Bill isn't ambitious enough

The Energy Bill introduces the Green Deal – a new policy that will mean householders and businesses can take out loans to improve the energy efficiency of their properties.

The Government has made bold claims for what the Green Deal will deliver. Chris Huhne, the Climate Change Secretary, describes it as "a revolution ... the most ambitious energy saving plan ever put forward. A once-and-for-all refit that will make every home in Britain ready for a low carbon future." The Government promises that the Green Deal will deliver up to 250,000 new jobs.

But it is very difficult for Parliament or the public to have confidence that the Green Deal will live up to these claims. The Government is refusing to set out what it expects the Green Deal to deliver in terms of numbers of houses retrofitted, to what standard, and at what rate of interest the loans will operate.

Only if every house in the UK takes up the Green Deal would the figure of 250,000 jobs be realistic. Yet the Green Deal has fundamental and intractable problems as a mechanism that mean it simply will not work for millions of householders:

- it won't deliver whole-house retrofits, meaning deep carbon savings will not be unlocked
- it won't work for the **fuel poor** over four million households (and rising) are in fuel poverty
- it won't work as an incentive for householders that are able to pay already but choose not to

Making the Green Deal work better will require a concerted programme of incentives and support from the Government. But fundamentally the Green Deal is not and never can be a catch-all policy for radically improving the energy efficiency of our homes.

Neither is the new Energy Company Obligation (ECO), also introduced in the Bill, able to make up the difference. It is intended to bolster the Green Deal by subsidising measures for the fuel poor, as well as helping with more expensive measures, such as solid wall insulation. Once again, the Government isn't yet saying what ECO will deliver – but it seems extremely unlikely that ECO will be able to properly deal with the gap between what the Green Deal can deliver and what is really needed. The ECO could help tackle fuel poverty, or subsidise hard-to-treat homes, but not both, and even then not comprehensively for either.

A briefing on the Green Deal is available from Friends of the Earth: www.foe.co.uk/resource/briefings/green\_deal.pdf

## **The Warm Homes Amendment**

Over 60 organisations are supporting the 'Warm Homes Amendment' to the Energy Bill.

The Amendment requires the Government to publish a plan for energy savings from the building stock which is strong enough to meet its legal duties to cut carbon (under the Climate Change Act 2008) and end fuel poverty (under the Warm Homes and Energy Conservation Act 2000).

The Amendment would ensure that everything the Government does on energy efficiency and tackling fuel poverty – in the Energy Bill and beyond – is focused on meeting these legal duties.

Without an overall strategy or plan for energy efficiency policies such as the Green Deal appear in a vacuum. It is impossible for the public and Parliament to assess whether the Government's proposals are good enough, and what other measures may be needed.

The Amendment would bring ambition, transparency, accountability and cohesion to the Government's policy package on energy efficiency.

Please support the Warm Homes Amendment.



## **Further information**

The amendment can be viewed at <a href="www.demandabetterbill.org.uk/uk-energy-bill-2010-warm-homes-amendment/">www.demandabetterbill.org.uk/uk-energy-bill-2010-warm-homes-amendment/</a>
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