

Green Homes Grant

Y Pwyllgor Deisebau | 29 Medi 2020
Petitions Committee | 29 September 2020

Reference: RS20/13682-12

Petition Number: P-05-1016

Petition title: Extend the new Green Homes Grant to Wales

Text of petition: The Chancellor has announced a new Green Homes Grant to give up to £5000 in vouchers for energy efficient improvements to homes in England. The Welsh Government should implement the same in order to improve the housing stock, safeguard Welsh jobs and contribute to Welsh environmental concerns.



1. Background

The Chancellor of the Exchequer, Rishi Sunak MP, announced a new £2 billion green homes grant to Parliament on 8 July 2020 as part of his summer statement, *A Plan for Jobs*.

In his statement, the Chancellor said:

From September, homeowners and landlords will be able to apply for vouchers to make their homes more energy efficient and create local jobs. The grants will cover at least two thirds of the cost—up to £5,000 per household—and for low-income households we will go even further, with vouchers covering the full cost, up to £10,000.

Further detail of the scheme was later made available by the UK Government. The grant, in the form of a voucher, can be used to fund a range of energy efficiency measures subject to certain eligibility criteria.

The voucher must be used to install one ‘primary measure’ from a list that includes solid wall, cavity wall and loft insulation amongst other measures. Where at least one primary measure is installed, the voucher can be used to help cover the cost of a range of secondary measures, including double/triple glazing and external energy efficient doors.

The Green Homes Grant scheme is only available to homeowners and landlords in England. The vouchers must be redeemed, and improvements completed, by 31 March 2021.

2. Welsh Government action

In her letter to the Chair of the Petitions Committee dated 24 August 2020, the Minister for Environment, Energy and Rural Affairs notes that the Welsh Government:

...is not currently proposing to introduce a similar voucher scheme here in Wales. Since 2011, householders in Wales have benefitted from our more generous schemes delivered under the Warm Homes Programme. Through this programme, which has benefitted more than 55,000 households since its launch, funding of between £5,000 and £12,000 is available for home energy efficiency measures recommended following a whole house assessment.

The Welsh Government’s **Warm Homes Programme** aims to improve the energy efficiency of housing stock and to help tackle fuel poverty. The programme includes two projects: Nest and Arbed.

The Nest scheme ‘**supports access to free independent advice and support to help householders living in Wales**’. Those meeting Nest’s **eligibility criteria** can also access a free package of energy efficiency measures which could include a new gas boiler, central heating system, insulation or air source heat pumps.

The **criteria** for free home energy improvements under Nest can be summarised as:

- You own or privately rent your home (not from a local authority or housing association);
- Your home is energy inefficient and expensive to heat; and
- You or someone you live with receives a means tested benefit OR has a chronic respiratory, circulatory or mental health condition and an income below the defined thresholds.

Arbed is a partially EU funded element of the Warm Homes Programme. It is an area-based scheme meaning that householders must be living in an eligible area to access Arbed. The funding is provided to install energy efficiency measures, such as external wall cladding and new central heating systems in these areas. The current Arbed scheme (Arbed 3) is delivered by Arbed am Byth (a joint venture between Everwarm and the Energy Saving Trust) and is targeted towards focused areas identified by Arbed am Byth and local authorities.

In her letter to the Petitions Committee, the Minister for Environment, Energy and Rural Affairs notes that:

Under the terms of the current Warm Homes Programme contracts, provision is made for energy efficient glazing and doors. This is limited to the provision of secondary glazing or draught proofing of windows and doors only, if recommended as part of the whole house assessment. The inclusion of replacement external doors and windows to the list of approved measures delivered through our programme is an issue on which I will be consulting as part of the forthcoming consultation on the new draft plan to tackle fuel poverty, which I expect to be published by no later than the end of September.

3. Welsh Parliament action

In August 2018, the Climate Change, Environment and Rural Affairs Committee published a report and recommendations following its inquiry, ***Low Carbon Housing: the Challenge*** (PDF, 1MB). The report noted that housing is responsible for nearly 8% of Welsh greenhouse gas emissions. Recommendation 5 was that:

The Welsh Government should continue to invest in and expand the current retrofitting schemes under Arbed 3. The Advisory Group on the Decarbonisation of Existing Homes should report to the Committee on the feasibility of retrofitting homes under this scheme by “type” of dwelling.

The recommendation was accepted in principle by the Welsh Government in its [response](#) (PDF, 279KB).

The Senedd’s Climate Change, Environment and Rural Affairs Committee recently carried out an [inquiry into fuel poverty](#). It’s report and recommendations were published in April 2020. Some of the recommendations related to the Warm Homes Programme, including:

- **Recommendation 10.** The Welsh Government must review the eligibility criteria for free energy efficiency improvement packages under Nest, taking account of the new definition of fuel poverty. The review must consider, in particular, broadening the eligibility criteria to include low-income households living in, or at risk of falling into, fuel poverty.
- **Recommendation 11.** The Welsh Government must ensure that funding is available through the Warm Homes Programme to meet the cost of enabling works for households that would otherwise be unable to benefit from home energy efficiency improvements under government schemes

The Welsh Government accepted the above recommendations in its [response](#) (PDF, 409KB) to the Committee’s report.

Every effort is made to ensure that the information contained in this briefing is correct at the time of publication. Readers should be aware that these briefings are not necessarily updated or otherwise amended to reflect subsequent changes.