

## Post General Election Briefing for the New Government

# Part 1: Short-term Actions to Progress Home Energy Efficiency Boosting Consumer Confidence and Delivering Lower Bills

"So it will be Labour's national mission over the next decade, to fit out every home that needs it, to make sure it is warm, well-insulated and costs less to heat and we will create thousands of jobs in the process". Sir Keir Starmer, September 2021

The new government has already set out its ambition for upgrading the energy performance of homes in its General Election manifesto<sup>2</sup>, committing to:

- $\Rightarrow$  Invest a total of around £13.2 billion through grants and loans for insulation and other measures.
- ⇒ Upgrade 5 million homes over 5 years.
- ⇒ Do this to cut people's energy bills permanently by £hundreds each year, as well as slashing fuel poverty, and getting the country back on track to meet carbon budgets.

Raising the energy performance of the building stock and transitioning homes to clean heat is one of the most complex, yet most important routes to bringing down energy costs for both homeowners and businesses and reducing the UK's carbon emissions in pursuit of Net Zero. It is an area in which the energy efficiency industry, and specifically insulation businesses, such as the manufacturers which MIMA represents, can provide support to you as the new government and advise on how to deliver your commitments for the next five years and beyond. Now is the time to deliver in partnership with the insulation industry as part of a Warm Homes Taskforce to coalesce the voices and champions of this broad, diverse industry.

#### ⇒ Immediate actions:

To get home upgrades moving and, crucially, stimulate supply chain ramp up, MIMA recommends five low cost, 'quick wins' which could be announced or implemented before the end of 2024:

- 1) De-risk the retrofit journey for consumers and give people confidence: make sure government departments working on EPC reform are sufficiently resourced so that the work to improve EPCs can now move forward at pace, including making sure EPC assessments can factor in the results of real-life measurements of a home's energy performance and working towards guaranteeing savings for consumers.<sup>3</sup>
- 2) Unblock sectoral delivery and make real progress on home upgrades: remove overly stringent eligibility criteria in ECO4 and the Great British Insulation Scheme for example, that the performance of certain homes must jump a number of EPC bands once upgraded. This step will help to unblock delivery and make it easier for energy suppliers to find suitable homes to upgrade.<sup>4</sup>

<sup>&</sup>lt;sup>1</sup> Keir Starmer says insulating homes will be Labour's 'national mission' | The Independent

<sup>&</sup>lt;sup>2</sup> Make Britain a clean energy superpower – The Labour Party

<sup>&</sup>lt;sup>3</sup> EPC reform... how 'sensing' can unlock a world of benefits (knaufinsulation.co.uk)

<sup>&</sup>lt;sup>4</sup> eeig eco-briefing-autumn-2023.pdf (theeeig.co.uk)



- 3) Ensure UK consumers enjoy lower energy bills permanently: when developing new funding or incentive schemes, make sure they require or actively encourage insulation and low carbon heating measures to be installed together, where appropriate. This is the best way to be confident space heating demand and energy bills will drop significantly when switching away from gas, and that consumers will get the best out of their new heating systems.5
- 4) Maintain momentum on policies to improve the quality and safety of homes: get behind and maintain momentum on the huge amount of work going on in the energy efficiency industry to improve the quality and safety of new homes being constructed and existing homes being upgraded, including the Building Safety Programme, and programmes to improve marketing integrity and supply chain competency.
- 5) Prepare the construction sector and supply chain for positive change: weave into the Future Homes Standard consultation response a plan to gradually ramp up mandatory performance testing of new homes, including the fabric and new clean heating systems so that consumers can be assured of a good outcome. The technologies exist to carry out testing, and the costs are in the low £hundreds and can be expected to drop further.6

## ⇒ Medium to longer term action:

MIMA's vision is for everyone to have a home which is low energy, low carbon, healthy, comfortable, and safe. Insulation, and especially non-combustible mineral wool insulation, is key to achieving this.

Yet there are still over 14 million homes in England alone with an EPC rating of D or lower, nearly half of walls have not been insulated (with only 10% of solid walls upgraded), and more than 60% do not have the full complement of loft insulation set by building regulations or have no insulation.7

Well-insulated homes help keep energy bills down for consumers, alleviate fuel poverty, and help create healthier, more comfortable living conditions. At a national level, insulating helps to protect consumers from future energy price shocks, reduces the country's energy consumption and electricity grid reinforcement costs, and cuts emissions in the buildings sector.

For all these reasons, driving insulation upgrades has been and must remain a staple of energy policy, whatever heating system is being used. It has a crucial role in reducing overall energy demand and relieving pressure on the grid. Now, insulating to reduce the amount of heat a home needs has become even more important as the UK transitions to the use of heat pumps and other systems which use high-cost electricity for heating. Insulating helps to lower a home's energy use, de-risking the process for consumers when energy prices are relatively stable, and even more so should unit prices sky-rocket again.

<sup>&</sup>lt;sup>5</sup> Insulation and Heat Pumps: The Perfect Pairing (mima.info)

<sup>&</sup>lt;sup>6</sup> mima home standard 2025 1220.pdf

<sup>&</sup>lt;sup>7</sup> Chapter 5: Energy efficiency - GOV.UK (www.gov.uk)



MIMA, alongside its supply chain partners such as the Energy Efficiency Infrastructure Group (EEIG)<sup>8</sup>, is well positioned to support the new government to develop a 10-year initial package of policy commitments, including powerful tax incentives and expanded green finance, as part of a comprehensive 25-year national plan to transform and modernise the UK's building stock, aspiring to help every type of household and building owner, in every part of the country.

MIMA offers our genuine support to ensure that you can start delivering on the Warm Homes Plan as soon as possible, improving people's lives and transforming our building stock.

## About the Mineral Wool Insulation Manufacturers Association (MIMA):

The Mineral Wool Insulation Manufacturers Association (MIMA) is a trade body providing an authoritative source of independent information and advice on non-combustible glass and stone wool insulation.

We represent leading mineral wool insulation companies in the UK, promoting the benefits of mineral wool insulation and the contribution it makes to the energy efficiency of buildings and the comfort, health, and safety of their occupants.

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<sup>&</sup>lt;sup>8</sup> https://www.theeeig.co.uk/media/1147/eeig tomorrow-s homes today 0224.pdf