The Rt Hon Claire Coutinho MP

Secretary of State for Energy Security and Net Zero

Department for Energy Security and Net Zero (DESNZ)

1 Victoria Street

London

SW1H 0ET

Dear Secretary of State,

We are writing to urge you to take action to increase homeowner uptake of clean heat and energy efficiency measures in England and Wales. Current take-up of heat pumps in England and Wales is falling far short of where it needs to be to meet existing targets. And while we welcome the increase in the Boiler Upgrade Scheme grant, we were disappointed to hear the Energy Efficiency Taskforce has been disbanded so close to sharing recommendations that could have helped accelerate energy efficiency and heat pump readiness.

We need to massively increase heat pump installations to reach Net Zero by 2050 and research from Citizens Advice has revealed that there is significant demand if we can mobilise it, with over 2.5 million UK homeowners interested in heat pumps and able to pay for installation or willing to take out finance. A further 6.5 million UK homeowners are interested in heat pumps but can't afford the upfront cost or aren't yet prepared to borrow. And while it's clear that affordability remains a significant barrier for many which will need to be addressed as we move closer to 2050, we urge you to implement the following non-financial support without delay:

## 1. Implement an advice strategy for England and Wales to coordinate the provision of tailored advice, available funding, and private finance options

As organisations and businesses supporting households in the transition to Net Zero we are acutely aware that the current advice landscape has led to a postcode lottery for consumers. To combat this we need a national advice strategy across England and Wales offering tailored advice, taking into account both where people live and how they use energy in their homes. People need bespoke advice across the whole consumer journey, from pre-installation, signposting to financial support or private finance options, to post-installation support and help if anything goes wrong. This kind of

support offer would help combat evidenced issues with consumers not being sure about the most appropriate measures for their homes,<sup>1</sup> low awareness of existing support,<sup>2</sup> and the high levels of consumers experiencing issues operating home retrofit measures post-installation.<sup>3</sup>

## 2. Develop clear consumer communications to raise awareness in England and Wales of home retrofit choices and available support

While affordability remains a key barrier for many in the adoption of home retrofit measures, research from Citizens Advice and Which? clearly demonstrates that consumer awareness of energy efficiency and low carbon heating systems is poor. So while we welcome the introduction of the first ever spatial plan for energy infrastructure this will need to be backed up with clear communications for consumers. To ensure consistency of approach we recommend the national development of a communications toolkit. This can then be used by stakeholders across industry to ensure communications are effectively and consistently providing information to consumers on the changes they can make and the support, including financial, that is available.

## 3. Review consumer protections in this sector to provide adequate protections for all consumers

There is a lack of confidence in the retrofit market,<sup>5</sup> with many consumers struggling to identify a qualified and reliable installer and concerned that retrofit measures may cause problems to their property.<sup>6</sup> Lack of post-purchase and installation protections only exacerbate this issue. Although consumers who have works completed through UK government-backed schemes must use accredited installers, the lack of mandatory

<sup>&</sup>lt;sup>1</sup> See, for example: Citizens Advice (2023), <u>Demand: Net Zero</u>; Which? (2023), <u>Empowering</u> homeowners to insulate their homes

<sup>&</sup>lt;sup>2</sup> Citizens Advice (2022), <u>Insulation Nation</u> and; Online survey of 2,000 UK homeowners, Opinium, 23-29 August 2022

<sup>&</sup>lt;sup>3</sup> Citizens Advice (2021), Home truths

<sup>&</sup>lt;sup>4</sup> See, for example: Citizens Advice (2023), <u>Demand: Net Zero</u>; Which? (2023), <u>Empowering</u> homeowners to insulate their homes

<sup>&</sup>lt;sup>5</sup> In the wider home improvements sector, 55% of consumers find it hard to trust trader information (e.g. traders' own claims and customer reviews) and anxiety about being let down or 'ripped off' is a significant factor in putting off necessary home improvements - with one in five saying they had put off a home improvements project for this reason]. Which? (2023), <a href="Empowering consumers to insulate their homes">Empowering consumers to insulate their homes</a>

<sup>&</sup>lt;sup>6</sup> Citizens Advice (2023), Demand: Net Zero

standards means that many who self-fund works will be doing so outside of any protection framework and can struggle to access redress if anything goes wrong.<sup>7</sup>

We look forward to hearing from you.

Yours sincerely,

























<sup>&</sup>lt;sup>7</sup> Citizens Advice (2021), <u>Home truths: The challenge and experience of making home energy improvements</u>