

The Green Deal lets householders and businesses pay towards the cost of energy-saving improvements to their properties, over time, through savings on their energy bills, using suppliers they can trust.

It has been slow to start and uptake remains lower than expected. The idea and intent are strong and valuable, but methods of delivery need to change if it is to succeed.

## Government Policy Aim

Reduce the UK's total greenhouse gas emissions from buildings. This currently accounts for 38% of UK emissions and the UK is committed to reducing it by at least 80% against the 1990 baseline by 2050.

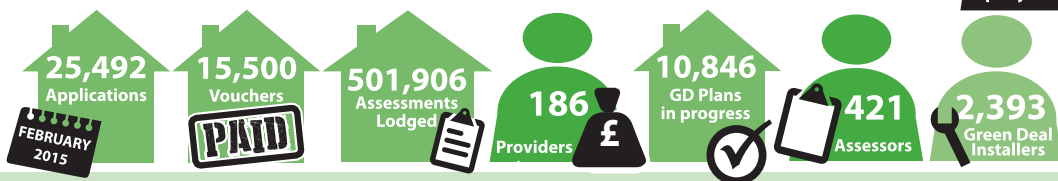


## Suggested Impact

By 2020, the Green Deal could reduce UK household and business CO<sub>2</sub> emissions by 4.5 million tonnes per year, which will help towards meeting the UK's commitment to a 35% reduction in carbon emissions by 2020.



## Deployment



## Issue

The Green Deal has not proven as popular as anticipated or hoped for. A supply chain has been created on the back of anticipated demand which has not been realised. Additional incentives are needed to rescue the Green Deal and the energy efficiency supply chain.

## Solution

### Keep the name the same but change the delivery.

The industry has invested huge amounts of money branding and promoting the Green Deal. Starting from scratch would put it back to square one and be confusing to consumers.

Simplify the installer scheme requirements, by aligning them with established schemes to reduce cost for SMEs.

Offer interest free loans to stimulate uptake.

Offer Stamp Duty cuts for energy efficient homes, increasing the value of sustainable choices to a flourishing property market.

Offer Council Tax reductions for energy efficient homes to give investment long term appeal.

Link other energy saving initiatives with the Green Deal to simplify the message and increase recognition.

Focus on engaging installers, who have the contact with the customers, empower them to raise awareness of further improvements and offer supportive information through an independent contact point.

ECO was introduced in January 2013 to reduce Britain's energy consumption and support people living in fuel poverty by funding energy efficiency improvements in homes. The larger energy companies are obligated to install insulation and heating measures to help deliver this.

The policy has stimulated good levels of uptake but consistent and appropriately ambitious targets must continue to be set and achieved in order to maintain this momentum.

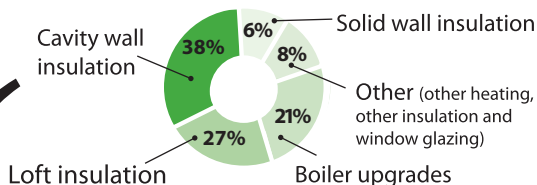
## Government Policy Aim

Reduce carbon emissions from Britain's domestic building stock, an essential part of the UK's plan to meet its statutory domestic carbon emission reduction targets of reducing greenhouse gas emissions by at least 80%, compared to the 1990 baseline, by 2050.



## Deployment

Provisional figures for the number of ECO measures that have already been installed are promising.



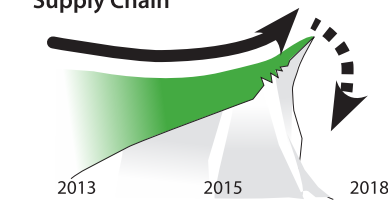
## Issue

Recent figures released by **OFGEM** suggest that energy suppliers will meet their **CERO** and **CSCO** target early.

This suggests a **stop/start demand** is being created which poses a **significant risk**, creating **uncertainty for businesses**.

This must be prevented to ensure the industry remains robust and able to continue the delivery of future energy efficiency targets cost effectively.

### Supply Chain



## Solution

The post March 2017 ECO targets must be agreed as soon as possible to ensure continued confidence and investment.

Any over delivery during ECO2 should also contribute to the subsequent target to maintain the strength of the current supply chain.

Better use should be made of installers as trusted contact points with consumers – to offer further advice, guidance and informative literature.

Consideration must be given to how to maintain conditions for continued growth so that the UK's statutory domestic carbon emission reduction targets are met.

Continuity, stability, consistency and clear long term commitments are key to the success of this policy.