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THE PRIME MINISTER

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14 October 2020

Thank you for your letter of 29 June concerning the provision of insulation and clean heat for buildings as part of our recovery from COVID-19. I would be grateful if you could share this response with your co-signatories. As we move towards winter, I agree that having a warm and sustainable home is essential to livelihood and health, and beneficial to our planet.

The Government recognises the importance of improving the energy efficiency of our housing stock, both to communities and in our move towards net zero. This is why, in his Summer Economic Update, the Chancellor announced a building package worth in excess of £3 billion, including a £2 billion Green Home Grant scheme, under which homeowners and landlords can apply for a voucher towards upgrading the energy performance of their homes. Low income households will be eligible for up to 100% Government funding. This will upgrade more than 600,000 homes in England and save households up to £600 a year on their energy bills. We have also made provision for projects to start the decarbonisation of social housing, which will upgrade around 2,500 homes and support 1,400 jobs, as well as reducing energy bills for some of the poorest in society.

The Government has a number of existing measures for improving the energy performance and comfort of the homes of those most in need. Current projects, such as ECO3, have delivered over 2.74 million improvements in around 2.10 million homes. This current scheme will end in March 2022 and we are currently considering the objectives and ambition of a successor scheme to help heat the homes of poor, low income and vulnerable people. We will be conducting a public consultation in the near future and would welcome your input to that process. In 2022, we are also proposing to launch a new scheme to provide targeted support to consumers and small businesses for heat pumps and biomass.

The Government also currently provides additional support for fuel poor, low income and vulnerable customers through the Warm Home Discount scheme, where householders who have accounts with participating energy suppliers may be eligible to receive rebates off their winter energy bill, as well as direct financial help through schemes such as the Winter Fuel Payment.

The Fuel Poverty (England) Regulations of 2014 commit the Government to improving as many fuel poor homes as is reasonably practicable to energy efficiency Band C by 2030, and we have already committed billions of pounds of energy efficiency grants for low income households. An updated fuel poverty strategy will also be published in due course.

We are also planning to publish a Heat and Buildings Strategy which will set out the actions we will take for reducing emissions from buildings in the 2020s. We will examine a range of measures to ensure we decarbonise homes and buildings, helping us to achieve our net zero targets, as well as providing warm and comfortable homes for all people across the UK.

Thank you again for taking the time to write.

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