STONEHAVEN

POWERING DOWN COSTS

MAKING RETROFIT SIMPLE, FAIR, AND SCALABLE.

October 2025



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01 Introduction

The energy crisis has brought fuel poverty to the forefront of the political agenda. In response to unprecedented rises in energy prices, the previous government introduced the Energy Price Guarantee (EPG) – a significant intervention designed to shield households from unaffordable bills, thereby highlighting the importance of affordable energy prices. Yet, more than two years after the peak of the crisis, prices remain well above pre-crisis levels: although the energy price cap is set to fall to £1,720 per year on July 1st (down from £1,849 in April 2025 and £3,549 in October 2022), it still exceeds the £1,277 level of March 2022. As a result, many households continue to struggle with their bills, and consumer debt in the retail energy market has soared to nearly £4bn in December 2024, placing an increasing financial strain on suppliers.

Fuel poverty is driven by two fundamental factors: low household income and high energy costs. As such, policy responses typically address one of these levers. Direct financial aid to vulnerable households can provide immediate relief by supplementing incomes, while energy efficiency measures reduce energy demand and lower bills permanently. Although financial support is essential, it must be delivered repeatedly to maintain its impact. In contrast, energy efficiency improvements offer a one-time intervention that delivers lasting benefits. Not only are such measures more cost-effective over time, but they also uphold the moral principle that energy – being essential to one's physical and mental wellbeing – is a necessity and should be accessible to all without ongoing dependence on state support, which can vary year on year.

The case for prioritising structural, long-lasting interventions to reduce energy bills is even more compelling in the UK. The country has one of the least energy-efficient housing stocks in Europe, with homes losing heat up to three times faster than on the continent.[1] Additionally, following cuts to the Carbon Emissions Reduction Target (CERT) in 2013, the installation of efficiency measures has sharply declined, despite the energy crisis providing a strong incentive to retrofit homes. Today, 9.6 million UK households live below the minimum income standard and in poorly insulated homes.[2] But, if current retrofit delivery rates continue, it would take an estimated 72 years to meet the UK's 2030 fuel poverty target – far too slow to address the urgency of this issue.[3]

With the Labour Government committed to tackling the cost-of-living crisis and delivering a clean energy system by 2030, upgrading the UK's housing stock is critical. To achieve this, we propose moving away from the stop-start approach that has characterised UK retrofit policy since 2013 and instead adopting an integrated model that provides long-term stability and targeted support. Indeed, the current fragmented system, marked by a proliferation of disconnected schemes, has resulted in low consumer awareness, a disrupted supply chain, and an "all-or-nothing" offer that has failed to stimulate a mass market for able-to-pay households.

We therefore believe two or three changes are needed:

01 Clear, measurable goals. While energy efficiency measures can contribute to both carbon reduction and fuel poverty alleviation, attempting to achieve multiple national objectives through a single policy risk falling into the "everythingism" trap – where governments pursue too many goals at once, and deliver poorly on all of them.[4] Instead, energy efficiency schemes should be clearly designed to tackle fuel poverty, leaving decarbonisation to other, more direct strategies such as heat electrification.

02 Integrated policy support. To provide stability and clarity, all existing programmes should be brought under a single, overarching scheme. This would ensure better coordination between different levels of government and institutions – such as local authorities, DESNZ and Ofgem – while also offering a simple, more coherent experience for consumers. A unified scheme would make support more visible, more accessible, and ultimately more effective. To ensure both agility and credibility, this central scheme should be delivered by a privately licensed company, allowing for operational flexibility while retaining the legitimacy of government backing.

03 Targeted, proportional support. All households should be encouraged to participate in retrofit. However, the current system offers few incentives for able-to-pay households to undertake what is often costly renovation work. As such, support should be tailored to reflect different consumer needs: while the most generous assistance should rightly go to the most vulnerable, other groups must also receive meaningful support, proportional to their circumstances, to encourage their participation and help unlock demand across the wider population. This is essential for building a mass retrofit market rather than confining upgrades to a small, targeted segment.



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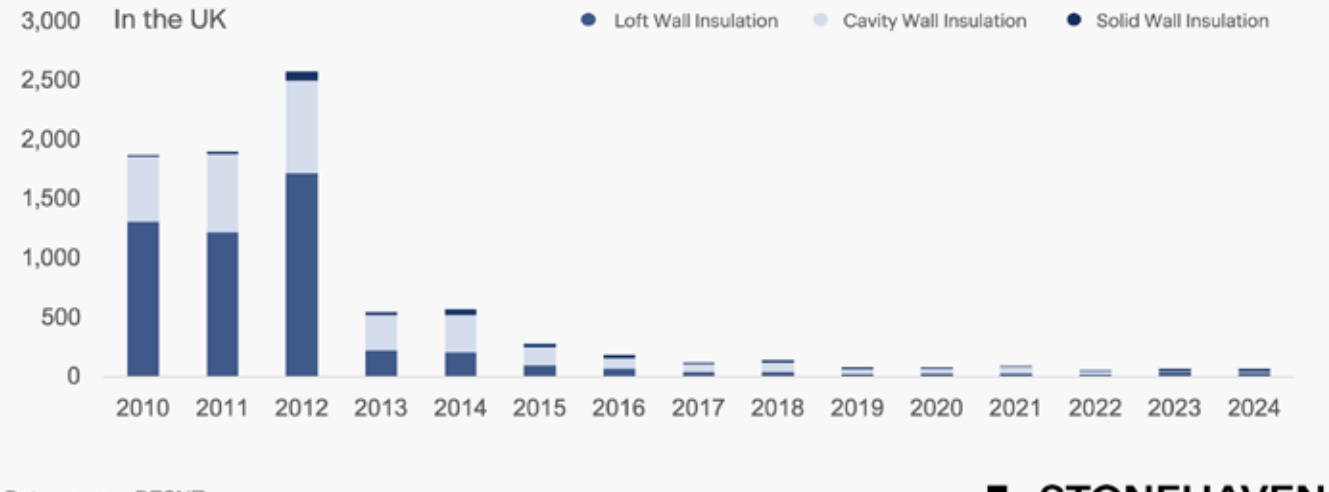
02 Challenges in the current policy landscape

Too many schemes, too little clarity

Under the Carbon Emissions Reduction Target (CERT) scheme, energy suppliers were required to meet targets for reducing carbon emissions from domestic premises, resulting in a significant uptake in home energy efficiency measures in the UK. CERT ended in 2013 and was replaced by ECO, intended to maintain momentum in improving home energy efficiency and tackling fuel poverty. However, ECO struggled to gain the necessary scale and consistency to serve as a long-term solution. Since then, a patchwork of schemes has emerged – often short-term, narrowly targeted, and poorly coordinated – leading to a marked decline in the installation of energy efficiency measures (see Figure 1).

Figure 1.

Home energy efficiency installations 2010-2024



Data source: DESNZ.

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Currently, eight different active schemes exist to address fuel poverty, three of which provide direct financial support and five are focused on energy efficiency improvements, with no single point of access or comprehensive advice to consumers (see Appendix 1). This fragmented policy landscape reflects a broader failure to develop a coherent, strategic approach to fuel poverty. Policymakers have not adequately accounted for the interactions between these various schemes, resulting in inefficiencies, confusion, and missed opportunities for synergy.

This complexity has given rise to two critical challenges, both of which undermine the effectiveness of current interventions. Firstly, the current landscape contributes to a complex consumer journey, significantly hindering access to available support. The absence of a single, clearly identifiable scheme results in low public awareness: for example, 64% of homeowners are unaware of the Energy Company Obligation (ECO) scheme, despite it being the UK's longest-running energy efficiency programme. Even among those who are aware of the schemes, confusion remains – 74%

of benefit recipients who are likely eligible for support did not realise they qualified.[5] Additionally, consumers often lack access to trusted, independent advice, making it difficult for them to verify information or engage confidently with the process. This creates a paradoxical information environment, where individuals feel both overwhelmed by the volume of information and underinformed about what applies to them. This situation is further exacerbated by the absence of effective signposting between schemes: when individuals are deemed ineligible for one programme, they frequently abandon efforts to seek further assistance.[6]

Secondly, the absence of a long-term strategic vision of energy efficiency schemes has significantly undermined the supply chain's capacity to deliver at scale. The UK's approach has been characterised by short-term, stop-start policymaking, with schemes typically lasting a few years. Even ECO has seen four major iterations in just 12 years. This policy volatility has created uncertainty for an already fragmented supply chain – made up largely of many small and medium-sized businesses (SME) facing persistent skills shortages[7] – ultimately slowing the pace of delivery. For example, in its first three quarters, the Great British Insulation Scheme (GBIS) achieved a delivery rate of just 5%. This limited uptake is partly attributable to a disruption in the supply chain. Under ECO3, contractors had oriented their business models towards single insulation but had to shift their approach towards a deeper whole-home retrofit to adapt to ECO4 requirements. As a result, the single-measure supply chain was underdeveloped and required time to rebuild to deliver single measures under GBIS.[8]

Narrow focus, missed opportunities

With the shift from CERT to ECO, the eligibility criteria for schemes supporting household retrofits have become increasingly stringent. This stems from a policy approach aimed at simultaneously reducing fuel poverty and lowering domestic carbon emissions. This dual objective is particularly evident in ECO4, which requires energy suppliers to deliver £224.3 million in annual bill savings for domestic premises by March 31, 2026, while also ensuring treated homes achieve at least a two-band improvement in the Energy Performance Certificate (EPC) rating.

Although prioritising the most vulnerable households to curb domestic carbon emissions was a well-intentioned strategy, this approach has fallen short on both fronts. The low uptake of energy efficiency measures has limited progress in reducing domestic carbon emissions. According to the CCC, the number of households receiving energy efficiency measures is significantly off track to meet current net-zero targets.[9] Furthermore, 9.6 million low-income households continue to live in poorly insulated homes.

This approach has also created a cliff-edge effect, leaving many households ineligible for support. For instance, although 2.5 million homes have benefited from ECO measures since 2013, stricter eligibility criteria under the latest ECO4 iteration have significantly reduced the number of homes upgraded, from 144,000 under ECO3 in 2021/22 to just 32,000 under ECO4 in 2022/23.

The tightening of eligibility requirements has also driven up delivery costs. ECO4's mandate for a two-band EPC improvement means the investment per house has increased by over 600%, from around £3,500 under ECO3 to around £26,000. This focus on achieving deeper improvements also tends to prioritise larger, older, and off grid properties, which further raises administrative costs for suppliers to identify eligible homes – from £350 to £1,080 per household.[10]

Lastly, the lack of incentives or support mechanisms for 'able-to-pay' households limits the growth of a broader retrofit market. Nearly as many homes rated below EPC C exist within the wealthiest decile of the population as in the poorest, yet these households currently lack encouragement to invest their own capital in energy efficiency improvements, despite high energy prices.[11]



03 Building an effective energy efficiency strategy

Clear goals, real impact

Measures designed to improve household energy efficiency can ultimately serve two objectives. By reducing energy demand, they contribute to a reduction in fuel poverty while lowering domestic carbon emissions. Although these outcomes often go hand in hand, effective policy should be guided by a single, clearly defined and measurable objective to assess its success.

As such, we argue that energy efficiency schemes should focus solely on reducing vulnerability, rather than reducing carbon emissions, although the latter is a co-benefit. This is because carbon emissions reduction tends to be more effective through full heat electrification, which might disproportionately impact low-income households, given that electricity is currently more expensive than gas. Moreover, the effectiveness of energy efficiency measures in cutting emissions is often limited by rebound effects - when improved efficiency lowers energy costs, consumers may increase their energy use, for instance by heating their homes more, thus offsetting some of the carbon savings.

In a previous report, we developed the concept of the safeguarding score. This score is created by aggregating various datasets relating to a household's income, composition, and energy consumption, and serves as an indicator of the level of vulnerability a household face.[12] Therefore, we believe that the effectiveness of energy efficiency measures should be evaluated based on improvements in one's safeguarding score, ensuring that households are genuinely better off after intervention. While alternative success metrics might be considered, they fall short in capturing the full range of household circumstances. For example, a decrease in the percentage of income spent does not account for an increased level of comfort. Similarly, assessing success solely through a reduction in the price per unit of energy would overlook benefits stemming from improved insulation, where the unit price remains unchanged but overall consumption decreases.

This approach also presents two additional benefits. First, instead of focusing on outputs – i.e., immediate products generated by the intervention, such as a heat-pump installation – this approach focuses on outcomes – i.e., the longer-term benefits resulting from the outputs. As a result, it avoids the "one-size-fits-all" intervention trap by tailoring interventions specifically to a household's needs, while also reducing the risk of being locked into a specific technology, which would ultimately stifle innovation. Second, energy prices are volatile, making it politically risky for any government to commit to long-term reductions in energy bills. Nonetheless, an improved safeguarding score will better shield consumers from potential future spikes in energy prices, allowing the government to adjust its communication strategies and framing to make less politically risky claims.

A central scheme: cutting through the chaos

As outlined in the first part of this report, support for reducing energy bills is currently delivered through a patchwork of short-term schemes lacking a coherent long-term vision.

This fragmented approach has led to low public awareness and disrupted supply chain development. As such, rather than dispersing support across multiple disconnected programmes, all forms of assistance should be brought under a single, centrally coordinated scheme – as successfully implemented in France. This unified programme would operate under a clear, recognisable name and serve as the main point of access for consumers, streamlining their experience and increasing overall impact.

BOX 1

Case study – MaPrimeRénov' scheme in France

MaPrimeRénov' is France's main government scheme to support home energy efficiency upgrades. Introduced in 2020, it replaced the previous tax credit system (CITE) and consolidated various forms of financial support under one central, easily recognisable programme.[13] As of 2023, only 12% of the population hadn't heard of it.[14] Managed by Anah (Agence Nationale de l'Habitat – the French National Housing Agency), the scheme provides financial assistance to homeowners and landlords to improve energy efficiency, regardless of their level of income. Support is tiered across four income brackets: low-income households can receive up to 90% of costs covered, while higher-income households qualify for lower levels of support to encourage co-investment. The scheme funds both smaller upgrades – such as insulation or heating improvements – and deep retrofit that achieve at least a two-band EPC jump. For major projects, participants must work with a certified advisor (Accompagnateur Rénov') who provides technical, financial, and administrative guidance.

Since its launch, MaPrimeRénov' has funded energy efficiency improvements in approximately 2.4 million homes, including 330,000 deep retrofits, at a total cost of €13.2 billion. It has also helped build a broader retrofit market, generating nearly €37bn in renovation activity. Lastly, in 2024, 73% of beneficiaries were on low or very low income, 72% reported lower heating bills after intervention, and 86% experienced greater comfort after intervention, highlighting MaPrimeRénov's effectiveness in reducing fuel poverty.[15]

While we are not proposing to replicate MaPrimeRénov' in the UK—since the French scheme is primarily designed to reduce carbon emissions rather than tackle fuel poverty—the integrated delivery model it offers is of particular interest and could be adapted to better serve the UK's objectives of reducing vulnerability and improving energy affordability.



Operationalising the central scheme

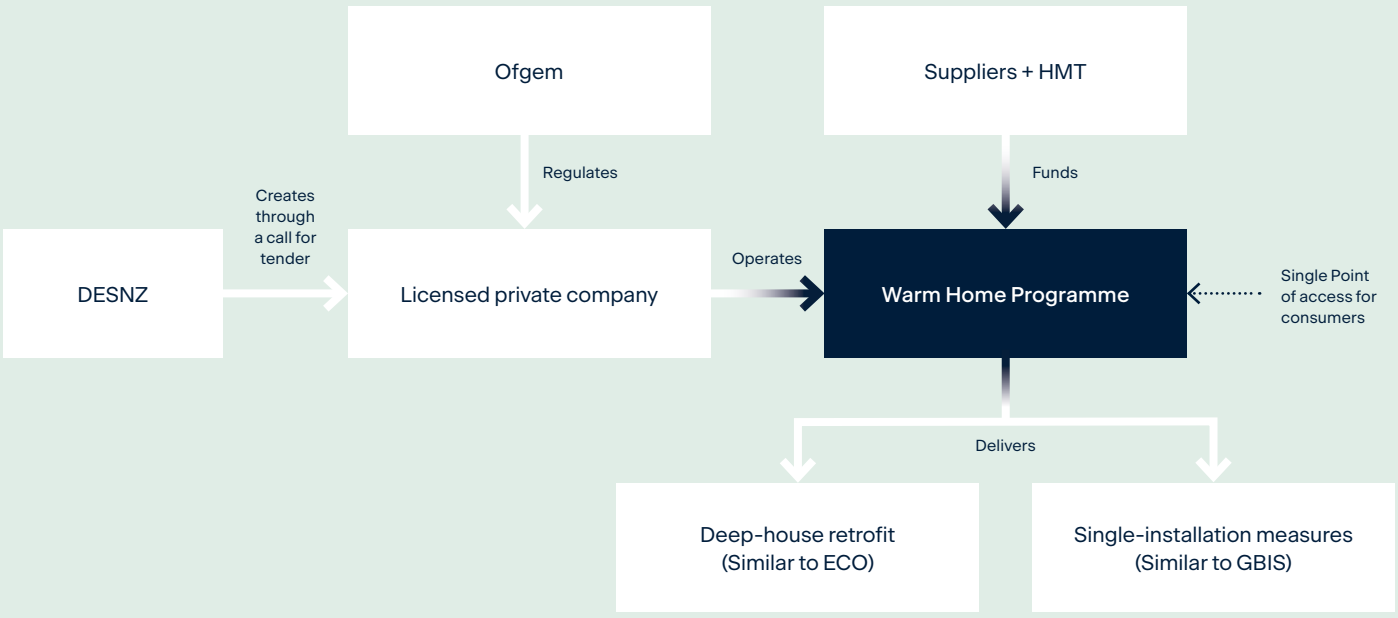
If the Government were to create a central scheme for delivering home energy efficiency upgrades – referred to here as the Warm Home Programme (WHP) to echo Labour's Warm Home Plan – we believe it should adopt a governance framework similar to that used for the creation of the Data Communications Company (DCC.

As such, we suggest establishing a licensed private company through a competitive tender process run by DESNZ, which will be responsible for administering the scheme. The selected organisation would be regulated by Ofgem, as is the case with the DCC, to ensure efficient service delivery through licence conditions and appropriate cost-control mechanisms. Funding for the WHP would come through a hybrid model, which would combine existing streams: energy suppliers would redirect existing levies from consumer bills into a single fund managed by the organisation in charge of the WHP. At the same time, the Treasury would consolidate existing energy efficiency budgets into the same central pot. In our view, this is the only viable framework for delivering such a programme effectively. Indeed, large-scale delivery requires a specialist body with the flexibility and operational focus to manage thousands of applications, coordinate with installers and oversee quality assurance. Government departments typically lack this agile capacity, as they are often constrained by bureaucratic processes, making it harder to adapt to consumer needs in real time. At the same time, because this is a public service, the organisation must retain some form of government backing. By awarding the mandate through a competitive public process, the Government can ensure both uniform service delivery across the country and legitimacy.

Finally, in terms of structure, the WHP would offer two main routes for support, similar to the French system: one focused on deep retrofit (mirroring the aims of ECO4) and one for single-installation measures (similar to GBIS). Crucially, the new scheme would break from the current "all-or-nothing" approach by offering a sliding scale of support, tailored to households' needs and circumstances. From a consumer standpoint, centralising support would significantly reduce the administrative burden, thereby streamlining the consumer journey as highlighted in box 2.

Figure 2.

Governance framework of a centralised programme



BOX 2

Case study – The consumer journey under a centralised model

Step 1: Simple entry point: Consumers access the scheme via a single national website.

Step 2: Eligibility check: Consumers enter their name and address into the platform. If possible, the platform uses data-matching to retrieve its safeguarding score to determine eligibility. In the short term – before the safeguarding score is fully operational – users will instead answer a few basic questions about their home, energy use and income.

Step 3: Support options presented: Based on the consumers' profile, the platform displays a menu of all the support options they are eligible for, allowing them to choose the retrofit route that best suits their needs.

Step 4: Quote & approval: Accredited installers submit a quote through the national platform and notify the consumer. Once approved, the consumer pays their remaining contribution (if any) to the WHP, which then processes full payment to the installer. This ensures that consumers only pay what they are required to contribute and are not burdened with upfront costs.

Step 5: Installation & follow-up: The chosen measures are installed, and a follow-up check ensures quality and records the improvement in energy performance and safeguarding score.





Advantages of a centralised model

Centralising energy efficiency support and tailoring it to household needs provides three significant advantages. First, a more streamlined consumer journey would drive higher uptake of home energy efficiency upgrades. Indeed, beyond costs, a range of non-financial barriers discourages households from retrofitting their homes, particularly in terms of convenience.

A lack of trusted advice, low confidence in suppliers, and fear of scams all contribute to low engagement. A centralised scheme with a single point of access, a recognisable brand, and fewer administrative steps would reduce this complexity and help rebuild trust – ultimately making it easier for people to act. This has been demonstrated by the success of France's MaPrimeRénov', which not only benefits from a high level of awareness among the population but also supports energy efficiency improvements in 2.4 million homes between 2020 and 2025, achieving in 5 years what ECO took 12 years to accomplish (with 2.5 million homes benefiting from ECO since 2013). Additionally, Stonehaven's analysis shows that the French scheme delivers energy savings more efficiently, achieving 1.59 kWh/year per £ spent compared to just 1.04 kWh/year under the UK's ECO scheme (see Appendix 2).

Second, our approach would unlock market demand for retrofit work. Indeed, as previously mentioned, nearly as many homes rated below EPC C are found in the wealthiest decile as in the poorest, but these wealthier households haven't engaged in energy efficiency improvements despite rising energy prices. A unified scheme with income-tiered support would broaden access to a wider range of households, helping to grow the retrofit market and reduce costs over time. Research from the Social Market Foundation found that 74% of homeowners would be willing to co-fund insulation upgrades. While some may underestimate the complexity or cost of certain measures, the intention is clear. With appropriate government support, more households would act – expanding the market beyond a small segment reliant on fully subsidised upgrades.

Lastly, although the focus of this report is energy efficiency, the model presented could eventually be expanded or replicated to address other forms of home improvements, such as water efficiency. Indeed, the key consideration in this approach is how to maximise access to support without hindering market development. Our model achieves that objective regardless of the specific measures being implemented.

Key considerations and challenges

First, although this approach presents many benefits, one caveat is that it is consumer-led, meaning its implementation depends on consumers actively participating in the scheme.

This differs from the current ECO model, which places an obligation on energy suppliers. Under ECO, suppliers are assigned energy efficiency targets based on their market share and are therefore responsible for proactively identifying and offering support to eligible households. In our proposed model, we could maintain this obligation but shift it to the organisation managing the WHP.

This would also ensure greater fairness for consumers, particularly those who are vulnerable. Indeed, currently, disparities can arise because different suppliers have different consumer bases, meaning some vulnerable households may miss out on support if their supplier has already met its targets – even though others haven't. By assigning targets to a central organisation, every vulnerable consumer across the country would have an equal opportunity to be identified and offered support. Moreover, to ensure the scheme continues to reach a broad range of households, the obligation could focus solely on the lower-income segment of the population. As such, the scheme would remain consumer-led and accessible to all, but the organisation responsible for the WHP would be required to deliver support to a X number of very low-income households.

Additionally, to build awareness of the scheme, it will be essential to develop a national campaign, like the "Get Boosted Now" initiative during the COVID-19 pandemic. That campaign successfully combined coordinated messaging from multiple trusted sources – including the NHS, GPs, government, and charities – delivering a simple, clear call to action and ensuring ease of access, which significantly increased participation rates in this consumer-led health initiative. Applying similar principles to an energy efficiency scheme could enhance consumer engagement. As such, while a single point of access for consumers may be in place, outreach should still occur through multiple channels – including local authorities, energy suppliers, government bodies, and the WHP itself. These organisations should engage with individuals living in poorly insulated homes to raise awareness and ensure no one falls through the cracks. Delivering the message through a range of trusted sources will be crucial, as different people place their trust in different institutions.

Second, to enhance trust in the scheme and foster consumer participation, it will need to present high standards of consumer protection that exceed existing requirements. For instance, insurance-backed guarantees (IBGs) are currently a legal requirement for accredited installers who deliver work under government-funded energy efficiency schemes. However, these fall short in providing sufficient protection for consumers. Indeed, the terms and conditions often include unrealistic timelines for reporting an issue, and the payout covers either the damage to the property or the cost of replacing the installation, whichever is less.[16] As a result, when things go wrong, many consumers currently struggle to navigate a complex redress system.[17]



To provide consumers with enhanced protection, several measures could be implemented.

01 First, mirroring the approach used in the French scheme, consumers who choose to install energy efficiency measures through the government's programme should be supported by a WHP advisor. This advisor would provide independent guidance throughout the entire process, from determining which measures best meet the household's needs to helping access redress mechanisms if necessary.

02 Second, as the organisation responsible for delivering the WHP would be a privately licensed company regulated by Ofgem, its licence could include a consumer duty obligation – like the reforms Ofgem is currently applying to energy suppliers. This duty would require the organisation to treat consumers fairly, provide high-quality customer service, and take proactive steps to prevent harm. For example, in our model, the consumer makes their payment directly to the WHP, which then handles full payment directly to the installer. In this context, a consumer duty could include ensuring the timely and efficient management of payments.

03 Third, to protect consumers from installers who may arbitrarily inflate prices, local authorities could establish partnerships with installers through an Advanced Market Commitment (AMC). Indeed, local authorities have strong knowledge of their areas, including which technologies are most suitable and the common construction types and associated defects. By partnering with installers, they can ensure that selected partners are well-suited to meet the specific needs of the local population. Under this model, local authorities would enter contracts with installers, guaranteeing them a minimum volume of work or financial compensation if volume cannot be delivered. By creating this guaranteed pipeline of work, local authorities can reduce installation costs through bundled purchases and economies of scale. These savings could then be passed on to consumers, thus reducing the risk of overpricing. This approach would also foster competition by providing installers with guaranteed demand, thereby contributing to the stimulation of a broader retrofit market. Additionally, to avoid stifling innovation once a partner or a series of partners has been appointed, contracts between local authorities and installers could include performance-based conditions – for instance, requiring a minimum level of customer satisfaction. Installers who fail to meet these standards could have their contracts revoked. This AMC model could also be seamlessly integrated into the central WHP platform. For example, when a consumer logs into the platform and enters their details, they see a menu of support options for which they are eligible (steps 2 and 3 of the consumer journey). This menu could also indicate whether their local authority has partnered with installers and, if so, display a list of those vetted installers. Similarly, after installation, consumers could be prompted to leave quick feedback through the platform, creating a feedback loop to monitor quality. Lastly, while AMCs would be largely self-financing – since consumers ultimately pay for the services with government support through the WHP – there would still be some administrative costs for local authorities. To cover these, a small compensation mechanism could be introduced through a commission-based system: each time a consumer chooses a partnered installer, the local authority would receive a small percentage of the project cost. This fee would not be passed on to consumers, but absorbed by the installer, who would still benefit from guaranteed business volume through the partnership.

Finally, our proposed approach is effective in delivering support to owner-occupiers and landlords. However, in 2022, 55% of privately rented homes in England were below EPC C, with 24% of private rented sector (PRS) households considered fuel-poor, equating to 35% of all fuel-poor households.[18] As such, we welcome the government's recent consultation on raising the Minimum Energy Efficiency Standards (MEES) for privately rented homes in England and Wales by 2030.[19] Additionally, further measures should be implemented to support leaseholders in improving their energy efficiency, thereby alleviating their energy costs and strengthening their resilience against potential future price spikes. For example, the government should continue promoting demand flexibility by accelerating the rollout of smart meters, implementing market-wide half-hourly settlement, developing time-of-use tariffs, expanding energy-as-a-service models, and enabling individuals to split their meters between multiple suppliers to access more niche and innovative offers.

04 Conclusion

This report has demonstrated that existing energy efficiency schemes – designed to simultaneously reduce carbon emissions and tackle fuel poverty – are no longer fit for purpose. Attempting to pursue both objectives through a single policy has led to inefficiencies, resulting in a fragmented landscape of poorly coordinated programmes that are difficult for consumers to access and ultimately less effective.

Every household should be empowered to undertake retrofit work through a simple, streamlined process, regardless of income. However, support must be proportionate to individual circumstances. To significantly increase uptake of energy efficiency measures – and thereby deliver more permanent savings on energy bills – we proposed the following key reforms:

- **Establishing a single, clear objective** for energy efficiency policy: an improvement in households' safeguarding score, a metric assessing vulnerability, following intervention.

- **Creating a centralised delivery model** governed by a licensed private company and funded through already existing funding mechanisms – i.e., levies on energy bills and general taxation.

- Tailoring support to consumers' needs but **introducing an obligation for the central organisation** to deliver support to a defined number of highly vulnerable household each year.

- **Launching a coordinated national awareness campaign**, modelled on the successful "Get Boosted Now" COVID-19 initiative, to drive participation across all income groups/

- **Empowering local authorities to partner with vetted installers** through Advanced Market Commitments (AMCs), which can generate economies of scale and reduce costs by providing installers with predictable demand.

05 Appendix

Appendix 1: Current active schemes aimed at tackling fuel poverty

Table 1: Current active schemes designed to tackle fuel poverty

Name of the scheme	Start-end period	Authority in Charge	Budget and funding mechanism	Description	Eligibility Criteria
Financial support					
Winter Fuel Payment	1997 – ongoing	National Government (DWP)	£2bn in 2023/24 through general taxation	Annual tax-free payment of £200-£300 during winter.	For 2025/26 this will be available to individuals born before 22 September 1959 with an income of, or below, £35,000. Payments will be made automatically and pensioners above the threshold will have it recovered by HMRC (if they didn't opt out).
Cold weather payment	1988 – ongoing	National Government (DWP)	Variable; dependent on weather conditions and funded through general taxation	£25 payment	Recipients of certain benefits (e.g., Pension Credit, Income Support, income-based JA) when the temperature is recorded to be 0º or below for 7 consecutive days between 1 November and 31 March
Warm Home Discount	2011 – ongoing	Ofgem in partnership with energy suppliers	£471 million in 2023/24 through a levy on bills	One-off £150 discount on electricity bills during winter.	Recipients of Pension Credit Guarantee or Low-income households (i.e., receiving certain means-tested benefits or tax credits).
Energy efficiency					
Home Upgrade Grant (HUG)	2023 – 2025	National Government (DESNZ)	£700 million through general taxation	This grant provides free energy-efficiency upgrades and low carbon heating.	Households in England that are on low income (less than £36,000 gross or receiving certain income-related means-tested benefits), off the gas grid and with an EPC between D and G if they are in one of the participating local authorities.

Boiler Upgrade Scheme (BUS)	2022 – ongoing	Ofgem	£295 million for 2025/26 through general taxation	Grants of £5,000 - £7,500 to support the installation of heat pumps and biomass boilers.	Homeowners in England and Wales with properties having a valid EPC and existing fossil fuel heating systems.
Energy Company Obligation 4 (ECO4)	2022 – 2026	Ofgem in partnership with energy suppliers	£4 billion over 4 years through a levy on energy bills	Obligates energy suppliers to install energy efficiency measures in homes to reduce carbon emissions and tackle fuel poverty. ECO4 requires suppliers to achieve a total £224.3 million in annual bill savings for domestic premises by 31 March 2026 and homes treated under the scheme must achieve a two-band jump in EPC ratings.	Low-income and vulnerable households on benefits (e.g., child benefit, pension guarantee credit, income support, housing benefits, income-based jobseekers' allowance).
Great British Insulation Scheme (GBIS)	2023 – 2026	Ofgem in partnership with energy suppliers	£1 billion through a levy on energy bills	Formerly ECO+, it complements ECO by delivering one insulation per home.	Supports low-income and vulnerable households, but also those living in homes with an EPC rating of D-G wand within Council Tax Bands A-D in England (A-E in Scotland).
GBIS flex	2023 – 2026	Local authorities	Part of GBIS budget	Allow local authorities to refer households not covered by standards GBIS eligibility criteria but considered vulnerable or in fuel poverty.	Vulnerable households not in receipt of means-tested benefits who live in a property that requires energy efficiency upgrades with a combined gross annual income under £31,000 or if a person in the household has severe or long-term health condition that is adversely affected by living in a cold home.

Appendix 2: Comparisons of energy savings delivered by MaPrimeRénov and ECO

Cost efficiency figures have been calculated as annual energy savings over total scheme costs.

For MaPrimeRénov, annual energy savings and total scheme cost figures are sourced from the French National Housing Agency's 2024 key figures report. Total scheme costs have been converted to pounds sterling using the average exchange rate for the scheme period, sourced from the Bank of England.

For ECO, lifetime energy savings statistics for measures implemented up to January 2022 have been converted into annual energy savings. This conversion uses the assumed lifetimes of measures from the Affordable Warmth model, assuming that these lifetimes are reasonable proxies for measures implemented under other ECO sub-obligations ECO CERO and CSCO. Total scheme costs for the same period are calculated using Table 5.1 of the Household Energy Efficiency Statistics.

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