

KAMMA

Month in Green

June 2023

The latest news and insights on the path to Net Zero for UK property



kammadata.com

Tracking the retrofit revolution

A summary of key stories and statistics on the path to Net Zero for UK housing

Improving the energy efficiency and emissions performance of the property sector is vital to the UK achieving Net Zero. To reach the 2050 target, and the interim milestones, Kamma champions a four-pronged approach to decarbonisation.

The stories below show how our strategy is supported, challenged and changed by wider industry trends.



Efficient devices and behaviours

Education helps tenants to make smart choices

Sustainable home improvement plans scaled back by homeowners

NatWest

The banks' latest Greener Homes Attitude Tracker shows that the expected cost of retrofitting continues to be the biggest blocker to further adoption, showing the need for education on low cost solutions.

[Read more](#)



Efficient homes

Improve the outer fabric of homes

Mortgage rate cut for energy efficient homes under government-backed trials

UK Gov

The Green Homes Finance Accelerator (GHFA) allocates funding to several banks developing green mortgage solutions that incentivise household energy efficiency improvements.

[Read more](#)



Decarbonisation of electricity

Install low-carbon technology, such as solar panels, to provide renewable energy

Energy firm now offers a solar panel loan to homeowners with green ambitions

This is Money

Households installing solar panels can now get a loan from Scottish Power to cover the upfront costs, including solar panels and batteries to store energy.

[Read more](#)



Decarbonisation of heating

Install heat pumps, heat networks and other electrical heating sources

Heat pumps: more than 80% of households in Great Britain 'satisfied with system'

The Guardian

The results of the largest investigation into how households have responded to heat pumps to date, showing broad-based satisfaction for the technology.

[Read more](#)



Kamma provides insightful analysis that articulates the fastest and most cost-effective decarbonisation strategies for mortgage lenders, letting agents, local authorities, property funds, housing associations and other property-related businesses. We ensure regulatory compliance, manage risk, identify green growth opportunities and qualify green assets. [Get in touch to find out more](#)

Funding announcement

Kamma wins DESNZ funding through the Green Homes Finance Accelerator



Kamma wins £200,000 to develop an end-to-end retrofit marketplace targeting 6.5 million homes missing Net Zero target



26 innovative green finance projects are awarded a share of £4.1 million in funding to drive energy efficiency upgrades in UK homes



Project consortium formed with Aldermore Bank, British Gas, Just Mortgages, LendInvest, and OneSavings Bank

Why did we apply?

Retrofit uptake has been too slow to hit Net Zero requirements for UK's housing stock. Based on the current rate of progress, just 67% of properties will be an EPC rating of A-C by 2035, meaning that around 6.5 million homes will fall short of the current target. More needs to be done to provide homeowners with the education, support and financing needed to increase retrofit uptake and get property back on track.

To date, inadequate data has created an unattractive business case for retrofit and home upgrades. The majority of property owners (customers) perceive that they cannot afford to upgrade the energy efficiency, misunderstand the benefits, and overlook green financing products.

Increasing energy costs and interest rates make a compelling business case for energy efficiency and low carbon heating improvements (retrofitting), however this is not obvious or clearly understood by customers.

What is our project?

Green Home Optimiser will create the first online end-to-end retrofit platform connecting lenders, customers and retrofit providers.

This will enable:

- Lenders to create a data driven suite of green finance products which can be matched to customer retrofit needs
- Customers to analyse their property and develop a retrofit plan aligned with their energy performance
- Objectives and budgets, and use this to select a green finance product that meets their needs
- Creation of a clear and compelling business case for retrofit to individual customers to increase customer confidence and retrofit uptake
- Customers to connect with approved retrofitters and lenders to undertake and verify completion of upgrade work
- Tracking and benchmarking of retrofit and net zero progress nationally

[Read more](#)



ECO update

Key indicators and insight from the fourth Energy Company Obligation (ECO4)

Every month, the Department for Energy Security and Net Zero (DESNZ) releases a set of headline statistics on the ECO.

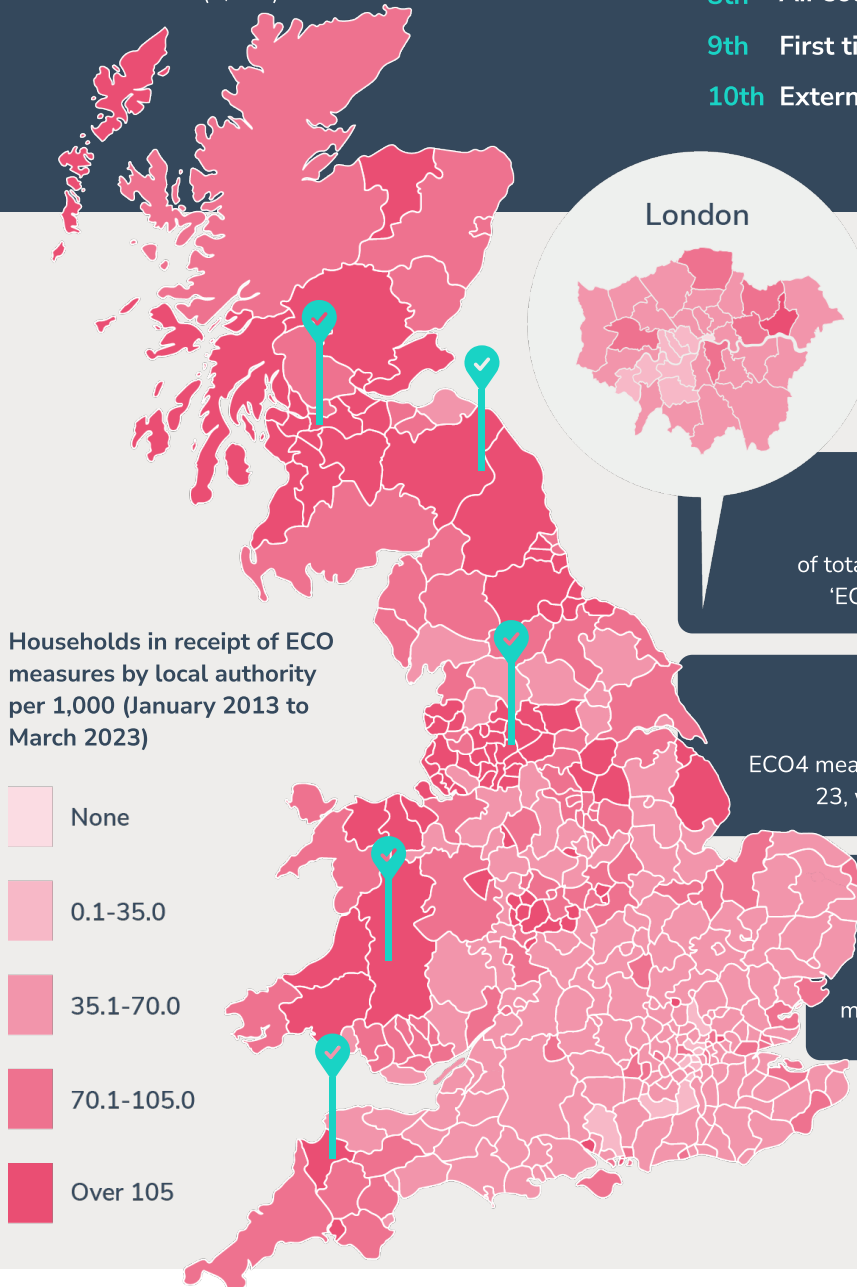
The latest Household Energy Efficiency release shows figures updated to March 2023. The data shows that between January and March this year, over 10,000 more measures were installed than in the previous three months.

The West Midlands received the most measures in this period (7,400), followed by the North West (5,930) and Yorkshire and The Humber (5,142). Comparatively, London received (1,618).

Top 10 ECO4 measures by total installations

1st	Conventional heating controls	26,119
2nd	Smart heating controls	16,512
3rd	Loft insulation	13,114
4th	Boiler upgrade	8,972
5th	Cavity wall insulation	4,699
6th	Solar photovoltaic	3,655
7th	Internal solid wall insulation	3,534
8th	Air source heat pump (ASHP)	3,438
9th	First time central heating	2,847
10th	External solid wall insulation	1,221

Data covers the period April 2022 to March 2023



Between January and March 23, nearly 36% more measures were installed than in the previous three months

23%

of total ECO measures installed since April 22 are 'ECO3 interim' and were completed by June 22

86,266

ECO4 measures installed between April 22 and March 23, with the most recorded in February (14,436)

21,353

properties have received at least one ECO4 measure in March, nearly 4,000 than in February

Source: DESNZ Household Efficiency Statistics

Last updated: 25 May 2023

Next update: 22 June 2023

Policy roundup

A monthly update on the key policies and initiatives driving property to Net Zero

Energy efficiency and carbon emissions

A series of initiatives published by the Department for Energy Security and Net Zero (DESNZ) in Power Up Britain aim to scale up green industries, improve energy security, and deliver on Net Zero targets.

Two plans were released to differentiate between [Net Zero](#) and [energy security](#), but both are complimentary and should be read alongside each other.

Updates on policies and initiatives released in the press are also tracked, providing a broader view of the landscape.

ECO4: £4 billion worth of funding is available in the fourth and final iteration of the Energy Complication Obligation (ECO), set to be delivered between 2022 and 2026. [Read more](#)

Great British Insulation Scheme: Formerly ECO+, it will deliver energy efficiency upgrades to 300,000 of the worst performing homes. [Read more](#)

Heat Pump Investment Accelerator: The competition will allocate up to £30 million of grant funding in total. The expression of interested deadline was on Friday 28 April 2023. [Read more](#)

Boiler Upgrade Scheme: A grant schemes facilitating heat pump or biomass boiler upgrades extended to 2028. [Read more](#)

Minimum Energy Efficiency Standards: A decision on the [Bill](#) has been delayed until later in 2023. It is expected that the deadline for all (including new) PRS lets to reach an EPC rating of C will be amended to the end of 2028.

Green finance and lending

The [Mobilising Green Investment: 2023 Green Finance Strategy](#) outlines initiatives that aim to make the UK the world's first Net Zero finance sector by channelling private investment towards environmental objectives.

Last updated in 2019, the Strategy mostly argues the case for existing green finance measures, but also mentions several upcoming milestones.

UK Green Finance Taxonomy: The UK is progressing with a taxonomy. Read insights from the [Green Finance Institute](#)

Transition Plan Taskforce (TPT): Building on international disclosure standards, a consultation will be launched later in 2023 to discuss planning parity between private and listed firms, amongst other objectives. [Read more](#)

International Sustainability Standards Board's pending guidance: Finalising requirements for disclosures on climate risks and opportunities. Expected by the end of Q2 2023. [Read more](#)

Scope 3 emissions reporting: The [Environmental Reporting Guidelines](#) are set to be updated following a trial to include more guidance on how to collect and report data on Scope 3 emissions.



Let us change the way you work

Kamma's technology is the engine that powers our suite of property profiling products. If you'd like to see the power of the Kamma platform in action, [get in touch to find out more](#)



ESG Insight
Awards 2023

Winner

Kamma

Best Environment
Data Provider for ESG

[Read more](#)

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KAST



Catch up on the two latest podcast episodes from Kamma

Episode #9:

Voluntary carbon markets with Ted Christie-Miller



Episode #10:

Impact Investing with Bella Landymore



Available on [YouTube](#), [Apple Podcasts](#) and [Spotify](#)

We support the growth of some of the best name in the industry

Aldermore

Precise
Mortgages

paragon

one
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JLL

TriplePoint
Social Housing REIT plc

lendinvest

T S B

LANDBAY

Kent
Reliance

KAMMA

Get in touch now to turn risk into revenue

How Kamma can help

Kamma works with mortgage lenders, letting agents, local authorities, property funds and housing associations, supporting their drive to Property Zero.

We combine world-leading data collection and address matching with insightful analysis to articulate the fastest and most cost-effective decarbonisation strategies. We ensure regulatory compliance, manage risk, identify green growth opportunities and qualify green assets.



Visit the site at
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