

The Green Deal Building demand

PRCA June 2012

The Green Deal – policy context



- Buildings responsible for almost half of UK carbon emissions(2009)
- More than 11m homes have already taken action to insulate their homes but lots more needs to be done
 - More than half of homes don't have enough insulation
 - 70% don't have full set of heating controls
 - 16.4m still have non condensing boilers
 - 6m don't have double glazing in all their windows
- Increasing numbers of families struggling to pay energy bills and hit by rising prices

The Green Deal overview



- Home improvements to increase energy efficiency - wholly or partly paid for over time from savings you can expect to make in your energy bills
 - Like a loan – but for the property, not the person; stays with the property if move.
 - Costs recovered through electricity bill
 - Domestic and non- domestic properties
- 3 stage process, all participants operating under Green Deal Quality Mark
 - Assessor: personalised assessment property & you
 - Provider: cost/finance
 - Installers
- 43 measures covered initially
- Timing
 - Framework in place by October 2012, Green Deals from Jan 2013
 - 10year + programme

The Green Deal will be driven by the market. DECC will actively encourage and help providers to promote it



Vibrant market

- New entrants
- Product differentiation & innovation
- Targeting & cross-selling (e.g. New Kitchens and energy efficiency)

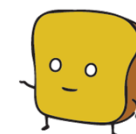
Market led customer-facing activity

- Assessors, providers, installers manage people through customer journey
- Providers use their customer knowledge and brands to package services, and promote to best meet customer needs



Home Energy Plan*

GET ME TOASTY



Making homes lovely and warm in Manchester

Quality assured

- Green Deal Quality Mark used across market



* Mock up

Communication plans will complement other measures to help drive demand



Energy company obligation



Energy efficiency improvements when major work done to homes



Launch incentives



“Fabric first” conditionality

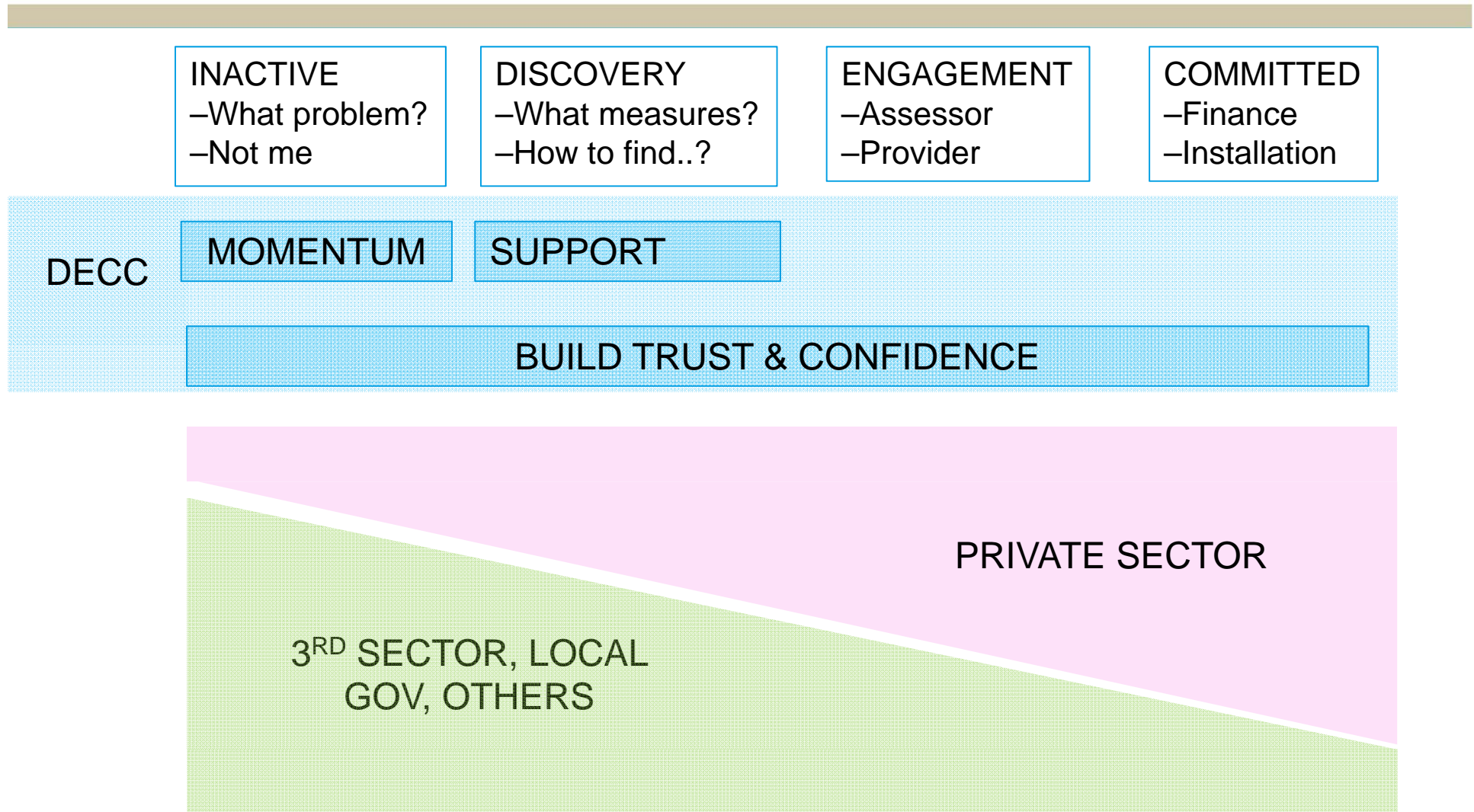


Minimum standards for private rented sector



Smart meters

Role of DECC in the domestic customer journey



DECC's consumer engagement approach has three core elements



- Create momentum for change
 - Get industry, local government, 3rd sector, communities on board
 - Put Green Deal in the spotlight
- Support the market as it develops
 - Guides, information, fact sheets usable by all
 - Work with key intermediaries
- Build trust and confidence
 - Awareness and understanding of Green Deal Quality Mark
 - Independent impartial advice on line and through helpline