

**Written evidence submitted by Energy Capital - part of the West Midlands
Combined Authority (WCH0056)**

1. Has the Government been focussed on delivering its Warm Homes Plan?

1.1 Energy Capital is the energy delivery arm of the West Midlands Combined Authority (WMCA). We welcome the publication of the Warm Homes Plan and its commitment to improving the energy performance of homes across the country. Whilst the plan provides a much-needed strategic direction for decarbonising the UK housing stock and other buildings, there remains uncertainty regarding how future schemes will operate, how budgets will be allocated, and how delivery partners can prepare for large-scale implementation. Additionally, time constraints for delivering against funding risk curtailing the quality of schemes combined authorities can deliver in support of the Warm Homes Plan. To demonstrate focus on delivering its Warm Homes Plan, Government should commit to funding future schemes and work with regional delivery partners to ensure this funding is structured to complement delivery.

1.2 The West Midlands Combined Authority has demonstrated an ability to successfully deliver government-funded retrofit programmes and is well-placed to support the next phase of delivery. Integrated Settlement funding has increased this ability, enabling us to build up the capacity of our Energy Capital team to support delivery against HMG outcomes. Via the Social Housing Decarbonisation Fund, the WMCA upgraded 2018 homes to EPC band C, working with 12 different regional providers to install over 6000 energy efficiency measures across a total programme worth £65,216,109. Earlier this year, the WMCA completed its 1000th home retrofit funded through the Devolved Buildings Retrofit Pilot and remains firmly on track to meet delivery targets by the scheme's conclusion. We welcome further devolution and the opportunity to work increasingly closely with Government to shape future schemes, drawing on lessons learned from existing programmes and continuing to pursue a place-based approach that truly reflects residents' needs.

1.3 As Government continues to pursue its devolution agenda, the West Midlands Combined Authority encourages discussion of devolved responsibilities in advance of national policy announcements. In practice, this means engaging Mayoral Strategic Authorities (MSAs) earlier in the design process and agreeing delivery responsibilities before new schemes are launched. A strong partnership approach of this kind will ensure programmes are practical to deliver, better targeted and capable of achieving the scale required.

1.4 Our recent innovation work with Government, known as the Local Net Zero Accelerator, has identified ways to scale up the delivery of the Warm Homes Plan, including the setup of a national Neighbourhood Energy Transition Fund. We strongly advise Government to maintain its focus, and work closely with us and other Mayoral Strategic Authorities to commit the additional funding and

repayable capital they have allocated, to enable increased focus on delivering its WHP.

2. Where should it be prioritising its efforts to deliver the Plan?

2.1 The WMCA has a pipeline of projects in development. We have the capacity to deliver. What we lack is the capital to realise the ambition of the Warm Homes Plan at scale across the West Midlands. Government should prioritise delivery mechanisms that maximise the impact of the limited funding currently available for the Warm Homes Plan. Given the constraints on both resource (RDEL) and capital (CDEL) budgets, ensuring the effective deployment of the Warm Homes Fund's capital allocation (CDEL-FT) is critical to achieving the Plan's objectives.

2.2 This is an urgent problem to tackle. A project pipeline is not static. Multi-year area-based retrofit projects, such as our Net Zero Neighbourhoods programme, are the result of sustained collaboration between communities, local government, and other actors, and require capital to maintain momentum and meaningfully progress. Without a clear path forward, they are likely to stall and disappear.

2.3 A key priority should be the **devolution of funding and delivery responsibilities to Mayoral Strategic Authorities and local partners**, who are best placed to coordinate activity across housing, energy, health and local economic priorities. Through successfully delivering the SHDF programme and Devolved Buildings Retrofit Pilot, the WMCA has demonstrated it has the capability to channel devolved funding to impactful programmes at scale. Government should recognise the value of enabling place-based delivery models through their funding programmes, that can align multiple funding streams and deliver outcomes more efficiently in a place.

2.4 The **Neighbourhood Energy Transition Fund (NETF)** provides a model for achieving this at scale. The NETF is a national investment fund for area-based retrofit programmes with regional programme allocations and delivery, further detail available in our [briefing note](#). [Energy Capital's response to the previous Call for Evidence](#) on the Warm Homes Fund sets out a clear set of asks for DESNZ, which remain central to our view on how the Plan should be delivered.

2.5 The key asks are:

2.5.1 Commit capital to the Fund: commit WHP CDEL FT funding to establish a national NETF with regional allocations, including for the WMCA as an anchor demonstrator region, alongside additional open-access capital to allow further regions to join. Create this as a single investment framework for neighbourhood retrofit and clean energy projects in partnership with GBE and the National Wealth Fund.

- 2.5.2 Design an appropriate structure:** work with ONS and HM Treasury to resolve the fund classification question that may block capital deployment, engaging early and informally before the fund structure is finalised.
- 2.5.3 Enable resident participation:** facilitate property-linked payment mechanisms through Ministerial Order under the Local Land Charge act (not requiring primary legislation), enabling the comfort fee model to be used as the universal participation option at neighbourhood scale regardless of tenure or income, reducing barriers to participation and supporting long-term investment.
- 2.5.4 Align with existing grant programmes:** ensure WHF grant programmes and consumer finance schemes can be deployed alongside NETF capital within the same neighbourhood programme, so that a single programme serves all households in a street regardless of tenure or income. This includes SHF, Local Grant, and the consumer loans scheme. Specifically, enable collective access to the Boiler Upgrade Scheme at neighbourhood scale, removing the current barrier that restricts BUS to individual household applications and prevents its use as part of a programme capital stack.
- 2.5.5 Embed project development funding:** include project development finance as a top slice of NETF capital, not as a precondition of deployment but as a prerequisite for it. Active programmes are perpetually 12 to 18 months away from needing capital until they have capital committed. Capital allocated without embedded project development support will not reach deployment.

3. Are the Government's ambitions for the Warm Homes Agency deliverable in time to make a difference to the 2030 clean power mission?

- 3.1** The Warm Homes Agency is unlikely to have a direct or significant impact on achieving the Clean Power 2030 mission. However, by integrating effectively with, and building upon, the existing regional ecosystem of support in Mayoral Strategic Authority energy teams and the partner organisations they work with, and establishing satellite WHA teams, the WHA can position itself to 'hit the ground running' and contribute to clean power objectives ahead of 2030.
- 3.2** A clear area of alignment between the WHP and Clean Power Mission is via Government's ambition to support local and community energy generation. Under the Clean Power 2030 agenda, Great British Energy will deliver the Local Power Plan, providing funding to local authorities, MSAs and community energy groups for onshore wind and, importantly for the WHA, solar projects, with the aim of developing 8GW of local and community-owned generation by 2030. There is clear alignment here with the Warm Homes Plan's ambition to triple the number of homes benefitting from solar generation on their premises by 2030. The NETF's architecture is designed precisely to enable this co-investment, and the WHA should be positioned to channel household demand into programmes of this kind rather than operating in parallel to them.

3.3 For the Warm Homes Agency to effectively support these ambitions and make a difference ahead of 2030, it is imperative that Local Power Plan and the Warm Homes Plan's overlapping objectives are clearly understood and combined to facilitate delivery at a local level rather than being left to compete with one another. Devolved responsibility to MSAs with the appropriate regional insight to understand where the two initiatives can be combined most effectively provides a proven mechanism for achieving this. The alternative is series of parallel programmes that are likely to confuse residents and frustrate delivery against Clean Power 2030's outcomes.

3.4 While the WHA could potentially support the uptake of local energy solutions and flexibility at the community level, its current focus on advice and household support means its contribution to the Clean Power Mission is likely to be indirect. A stronger link could be established through initiatives such as the Neighbourhood Energy Transition Fund, which would help accelerate the large-scale deployment of local generation and community energy assets. Distribution-level generation should also be given greater strategic emphasis, given its potential to support both local energy resilience and wider decarbonisation objectives.

4. Should the Agency have a focus on comfortable homes (warm in winter, cool in the summer) rather than simply focussing on heating solutions?

4.1 Yes, the Warm Homes Agency should focus on delivering comfortable homes year-round, rather than solely on heating solutions. The UKHSA [estimates](#) the UK saw 2,877 heat-associated deaths during May-June 2026 alone. Overheating is just as severe for residents. Measures that reduce overheating and energy bills, such as passive cooling, shading and ventilation improvements, should be included. Without investment in passive cooling measures, increasing temperatures will drive much greater uptake of air conditioning, significantly increasing electricity demand.

4.2 A certain increase in air conditioning uptake is expected irrespective of passive cooling measures. Making effective use of solar generation during the summer and aligning air conditioning demand with solar generation, offers a mechanism to manage this increased electricity demand. This should form part of the WHA's broader focus on delivering comfortable homes year-round.

4.3 A broader remit should also be supported by the devolution of Warm Homes funding, enabling regions to work with social housing providers to deliver wider government objectives. For example, investment driven by Awaab's Law to tackle damp and mould could be better coordinated alongside energy efficiency and retrofit programmes. Regional bodies such as the WMCA are well placed to bring together these different outcomes and funding streams.

5. Is there optimism that the agency will deliver more coherent delivery of energy efficiency and a range of modern heating/cooling solutions in domestic properties?

5.1 Yes, provided the Agency is designed and funding is used appropriately. We are optimistic that a Warm Homes Agency could deliver a more coherent approach to energy efficiency and modern heating and cooling solutions if it builds upon existing local expertise and delivery structures rather than creating a fully centralised model.

5.2 A national Warm Homes Agency supported by a **satellite delivery model** would help combine consistent national standards with locally tailored delivery via MSAs. This would enable local partners to coordinate the rollout of low-carbon heating and cooling technologies more effectively and share learning. Furthermore, a local delivery model would also better support the scaling and upskilling of the local supply chain required to underpin sustained delivery.

5.3 Critically, the Agency should avoid taking a technology-specific approach. Heat pumps are not the only solution, particularly for hard-to-treat buildings and complex retrofit projects. Instead, the Agency should support a range of solutions, enabling places to adopt the technologies most suited to local housing stock and consumer needs. MSAs are well positioned to test and learn from applying different innovative technologies to their housing stock. Devolving further decision-making powers would enable them to pursue this more effectively. Additionally, the West Midlands' strong low-carbon manufacturing base is well placed to support a diverse mix of retrofit solutions and strengthen UK supply chains.

6. What should the role of the sector be in regulation of the sector and linking consumers with trusted suppliers?

6.1 The ECO4 programme demonstrated the limits of a model that relies on individual installer accreditation and customer complaint mechanisms to assure quality. Where delivery is fragmented, and individual households contract individual installers without a coordinating programme, quality assurance depends on the weakest link in a long chain. The results were well documented: poor quality workmanship, inappropriate technology selection, and consumer redress processes that were slow and inadequate.

6.2 Programme-led, public sector-anchored delivery provides a structurally different quality assurance model. In the Integrated Settlement delivery model operating across the WMCA, quality is embedded in the programme management layer rather than left to individual installer certification. The programme holds the contract, sets the specification, manages procurement against PAS 2035, and is accountable for outcomes - not just outputs. This is the same model that Energy Capital operates through the Buildings Retrofit Pilot, and it is the model that the NETF is designed to extend to neighbourhood scale.

6.3 Building upon the success of previous buildings retrofit schemes, namely the Social Housing Decarbonisation Fund and Homes Upgrade Grant, Energy Capital has also developed a nationally-leading Managed Support Service for grant applicants. This means grants applicants are proactively supported by the WMCA to monitor quality and compliance, conduct APM/RICS accredited project

management processes, assist and advise residents through the customer journey process, and much more besides. Proactive quality assurance is thoroughly embedded in WMCA delivery schemes.

- 6.4** The role of the sector should therefore be advisory rather than regulatory: contributing technical expertise to standards development (PAS 2035 and its successors), operating within programme frameworks that provide oversight at the commissioning level, and feeding installation performance data back into the standards cycle. Consumer-facing trust marks and installer accreditation schemes have a role, but they are not a substitute for programme-level quality management. The Warm Homes Agency should be designed to operate through programme partners who hold accountability for outcomes, not to create a new certification layer on top of a fragmented individual-installer market.

September 2026