

The Green Deal for Social Housing Providers



Department
of Energy &
Climate Change

The Green Deal helps you make energy-saving improvements, like insulation, to your social housing stock, keeping homes comfortable for your tenants.



This scheme lets tenants pay for some or all of the improvements over time through their electricity bill. Repayments will be no more than what a typical household should save in energy costs.

An example of how you could improve your social housing stock

LOFT INSULATION

Heat rises and it may be leaking into the loft. Insulating lofts, or topping up existing insulation, will keep heat inside living spaces for longer.

CREATE YOUR OWN ENERGY

Technologies like wind turbines and solar panels can capture energy and turn it into electricity or heat for the home.

WINDOWS

Homes leak heat through their windows. By replacing windows with double or triple glazed windows, or installing secondary glazing to existing windows, homes can be kept warmer and outside noise can be reduced.

BOILERS

Older boilers tend to lose a lot of heat so they use a lot of energy.

High efficiency condensing boilers and air or ground source heat pumps recover a lot of heat so they use less energy.

EXTERNAL AND INTERNAL SOLID WALL INSULATION

Older homes usually have solid walls. Installing insulation on the inside or outside of the wall can dramatically reduce the heat that escapes the home.

CAVITY WALL INSULATION

Some homes have walls with a hollow space in the middle. Putting insulation in this space is quick and makes no mess because the work can be done from outside the home.

DRAUGHT PROOFING

Gaps around doors, windows, loft hatches, fittings and pipework are common sources of draughts. Sealing up the gaps will stop heat escaping the home.



How to get a Green Deal

1 Assessment



A Green Deal Assessor will come to the property, talk to your tenants about their energy use and check if they could benefit from making energy efficiency improvements.

Some properties, like blocks of flats, may benefit from having one assessment for all flats – rather than individual assessments.

2 Recommendations



The Assessor will recommend improvements that are appropriate for the property and indicate whether they are expected to pay for themselves through reduced energy bills.

3 Quotes



Green Deal Providers will discuss whether a Green Deal Plan is right for the tenants and quote for the recommended improvements. Tenants can get as many quotes as they like, and don't

have to choose all of the recommendations made to them.

Once a Green Deal Provider has been chosen, they will write up a Green Deal Plan. The plan is a contract between the tenant and the provider – it sets out the work that will be done and the repayments, including the fixed interest rate.

4 Installation



Once the tenant has agreed to a Green Deal Plan, the Provider will arrange for the improvements to be made by a Green Deal Installer.

5 Benefits



Your tenants can start to enjoy a more energy efficient home. The Green Deal repayments will be automatically added to the electricity bill for the home.

The electricity bill payer makes Green Deal repayments

The person responsible for paying the electricity bill – in most cases the tenant – makes the repayments through their electricity bill.

When the electricity bill payer changes (for example, because a new tenant moves in) the repayments will be transferred to the new bill payer.

What the Green Deal means for Social Housing Providers

As a social housing provider, you may wish to consider:

- how you could improve your housing stock using the Green Deal with existing improvement programmes
- whether you wish to encourage your tenants to have a Green Deal assessment
- how you could engage with groups of tenants, like those living in a block of flats, to make improvements at the same time as this may be more cost-effective
- how you will respond to tenants seeking your permission to make improvements using the Green Deal.

Your organisation could consider becoming authorised as a Green Deal Assessor, Provider and/or Installer, or you may prefer to enter partnerships. You should be able to continue using your existing trades people, as long as they are authorised by the Green Deal to do so.

That means you may be able to provide assessments and help tenants arrange finance and installations. For more information visit www.Direct.gov.uk/Greendeal

Five things social housing providers need to know

1 Your tenant needs your permission before taking out a Green Deal

If your tenant wishes to take out a Green Deal Plan, they will first need you to agree to financial aspects of the plan like the amount of the repayments and how long repayments need to be paid for. In many cases, they will also need your permission to make improvements to your property – although this will depend on the lease agreement.

2 You'll need tenants' permission before you take out a Green Deal

Where the tenant is the electricity bill payer, they will need to make repayments for the Green Deal on their electricity bill. So you will need their express permission before taking out a Green Deal at the property.

If you are making improvements to multiple properties, like solid wall insulation to a block of flats, tenants could be paying for these through a Green Deal. Therefore, you will need permission from all of the affected tenants.

3 All improvements are quality assured

All improvements made under the Green Deal must be completed by Green Deal Installers carrying the Green Deal Approved quality mark. This shows they meet Green Deal standards and are authorised to operate under the Green Deal.

4 New tenants need to be aware of the Green Deal and acknowledge the repayments they need to make

When renting out a property with a Green Deal you need to provide the tenant with a copy of the Energy Performance Certificate (EPC) (or, in Scotland, the EPC and the Recommendations Report) showing:

- the improvements that have been made under the Green Deal
- the repayment amounts the electricity bill payer needs to make
- the length of the Green Deal
- the name of the Green Deal Provider.

You will need to make sure that tenant acknowledges the Green Deal and the repayments by including prescribed wording in the rental agreement.

5 Tenants with prepaid electricity meters can have a Green Deal

A proportion of the repayment amount will be taken off the electricity prepayment meter balance each day.





Extra financial assistance

The Energy Company Obligation (ECO) is a new programme designed to reduce Britain's energy consumption by funding home improvements worth around £1.3 billion every year.

The funding comes from big energy suppliers. It's delivered to customers either directly from the supplier or by organisations working together, who have made special arrangements, such as Green Deal Providers.

Social housing tenants in rural or low income communities may be able to get funding to help pay for loft or cavity wall insulation. Any household could get funding to help pay for solid wall insulation or cavity wall insulation where it is difficult to install.

The best way to check if tenants could benefit from ECO is by calling the Energy Saving Advice Service on 0300 123 1234.

**GET
HELP**

Free and impartial advice about the Green Deal is available. Call the Energy Saving Advice Service (England, Scotland and Wales) on 0300 123 1234 or visit www.Direct.gov.uk/Greendeal