

# UKGBC Response to BEIS Consultation on phasing out the installation of fossil fuel heating in homes off the gas grid

January 2022

## *Introduction*

The UK Green Building Council (UKGBC) is an industry network with a mission to radically improve the sustainability of the built environment, by transforming the way it is planned, designed, constructed, maintained and operated. As a charity with over 600 member organisations spanning the entire sector, we represent the voice of the industry's current and future leaders who are striving for transformational change. We welcome the proposal contained in this consultation to phase out the installation of fossil fuel heating in homes off the gas grid.

## ***Responses to individual Consultation Questions:***

**Question 1: Do you agree with the principle of working with the natural boiler replacement cycle as the key trigger to deploy low carbon heat? Please provide evidence to support your response.**

We understand the rationale for aligning the deployment of low carbon heat with the natural boiler replacement cycle. However, it must be noted that most households do not think about the likely lifespan of their boilers unless and until something goes wrong. This means that the majority of boiler replacements are distress purchases, when householders tend to replace like for like. Research for DECC, BEIS's predecessor Department, showed that a system breakdown was the most common reason householders had for replacing their heating system – while the most common reason other than actual or anticipated breakdown was as part of a wider property renovation<sup>1</sup>.

The point at which a gas boiler breaks down is not the optimal time to change a heating system, particularly in cold weather, as householders will be tempted to make decisions in a hurry and without adequate research or advice. The Government must therefore ensure that any regulatory mechanism is accompanied by actions that encourage householders to make decisions at times other than system breakdown. These actions must include the introduction of much improved advice and information for householders, along with the sustained training and upskilling of installers, for too many of whom heat pumps still remain a complete mystery. The fact that many homes will need energy efficiency improvements to enable a heat pump to perform at its best is another important reason why Government needs to act to ensure that householders do not make decisions in a hurry.

Given that the favoured time for householders to undertake renovations is shortly after purchase, it will also be critically important for the Government to introduce structural incentives to encourage the installation of low carbon heat (and energy efficiency measures) at this juncture. The most attractive of these would be a Stamp Duty incentive, as long advocated by UKGBC<sup>2</sup>. Other incentives could include 0% VAT on green retrofit and the reintroduction of the Landlord's Energy Saving Allowance for landlords who install energy- and carbon-saving measures.

**Question 2: Would a 2026 end date for the installation of fossil fuel heating in homes off the gas grid give industry and consumers sufficient time to prepare for the regulations? Please provide evidence to support your response.**

This should be the latest end date, given that in Scotland the end date is already planned to be a year earlier in 2025. However, the Government must ensure that low income and vulnerable households are not penalised by

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<sup>1</sup> DECC, [Homeowners' willingness to take up more efficient heating systems](#), March 2013

<sup>2</sup> UKGBC, [A housing market catalyst to drive carbon emission reductions](#), April 2021

the new regulation. In particular, the Home Upgrade Grant scheme must continue beyond its anticipated end date of April 2025 and the funding for it must be at levels commensurate with household need.

**Question 3: Do you agree with a heat pump first approach to replacement heating systems in fossil fuel heated homes off the gas grid that can reasonably practicably accommodate a heat pump? Please provide evidence to support your response.**

Yes.

**Question 4: Do you have views on the design or content of guidance that will help households and installers determine whether it is reasonably practicable to install a heat pump? Please provide evidence to support your answer.**

No response.

**Question 5: Do you have any additional evidence on the size and characteristics of the cohort of homes off the gas grid that have the greatest deployment potential for ground source heat pumps?**

No response.

**Question 6: Do you agree that the performance of replacement heating systems in homes off the gas grid that cannot reasonably practicably accommodate a heat pump should reflect the current high standards of performance that can be delivered through high temperature heat pumps and solid biomass systems? Please provide evidence to support your answer.**

We agree that there are some instances when significant levels of insulation are not possible (e.g. listed and older properties) and therefore low-temperature heat pumps will be unable to provide adequate levels of heat and hot water. In these instances we support the use of high temperature heat pumps.

However, given the very high levels of air pollution associated with the burning of solid biomass, we believe that its use should be limited to exceptional cases. Domestic combustion in the UK is a major source of particulate matter (PM) emissions, accounting for 38% of the pollution particles under 2.5 microns in size (PM2.5) in 2019, the latest year for which data are available<sup>3</sup>. Most emissions from this source come from burning wood in closed stoves and open fires.

**Question 7: Do you agree that future use of solid biomass to decarbonise heat in homes off the gas grid should be limited to rural, off-gas grid areas where air quality can be better controlled, and in 'hard to treat' properties that are not suitable for other low carbon heating technologies? Please provide evidence to support your response.**

See our response to Q.6.

**Question 8: Do you have any views on the development of heating fuels and systems which will be consistent with wider government objectives on net zero emissions, environmental sustainability and air quality, and offer a secure and affordable fuel supply to consumers, from 2026? Please provide evidence to support your answer.**

No response.

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<sup>3</sup> DEFRA, [National Statistics, Emissions of Air Pollutants in the UK, Particulate Matter \(PM10 and PM2.5\)](#), 2021

**Question 9: Do you agree with an end date for the use of remaining fossil fuel heating in homes off the gas grid by the late 2030s? Please provide evidence to support your answer.**

Yes, we agree that an end date is necessary to ensure that we are on track to meet our carbon targets. This date should be by the late 2030s, or sooner if possible. However, as already noted, this end date will need to be accompanied by requisite levels of financial support for households to enable them to make the transition to low carbon heat. This is particularly important because of the relatively high incidence of fuel poverty in off-gas grid households – 18.2% of off-grid households are fuel poor, compared with 12.7% of on-grid households.

**Question 10: Do you have any views on measures the Government could introduce to ensure that fossil fuel heating will no longer be used in homes off the gas grid by the late 2030s? Please provide evidence to support your answer.**

As partially alluded to elsewhere, a suite of Government measures is needed to ensure that fossil fuel heating will no longer be used in homes off the gas grid by the late 2030s. These measures must include:

- Adequate levels of financial support for low income and vulnerable households, including but not limited to an extension of the Home Upgrade Grant scheme.
- Structural incentives, such as Green Stamp Duty, 0% VAT on green home retrofits, and the reintroduction of the Landlord's Energy Saving Allowance.
- Comprehensive information and advice for householders.
- Upskilling of heating engineers.
- Reducing the cost of electricity relative to gas.
- Supporting green finance innovation in partnership with industry and the UK Infrastructure Bank.

**Question 11: Do you have any views on how best to ensure compliance with the proposed regulations laid out through this consultation? Please provide evidence to support your answer.**

No response.

**Question 12: Do you have any views on what more could be done to address financial barriers to heat pump deployment? Please provide evidence to support your answer.**

See our responses to Qs.1 and 10.

**Question 13: Do you have any views on how we should encourage smart-enabled heating in homes off the gas grid? Please provide evidence to support your answer.**

No response.

**Question 14: Do you have views on what more could be done to galvanise supply chains for low carbon heating? Please provide evidence to support your answer.**

See our responses to Qs.1 and 10. In addition, it is vital that the Government sets out clear long-term targets and policy trajectories. Industry has been bruised far too often by stop-start policies and funding schemes.

**Question 15: Do you have any additional evidence on how groups protected under the Public Sector Equality Duty may be affected by our proposals to phase out high carbon fossil fuel heating in homes off the gas grid?**

No response.

**Question 16: Do you have any views on what more could be done to ensure households, and communities, affected by our proposals experience a smooth transition to clean heat? Please provide evidence to support your answer.**

See our responses to Qs.1 and 10.

**Question 17: Do you have any further comments to make on our proposals to phase out high carbon fossil fuel heating in homes off the gas grid? Please provide evidence to support your answer.**

No.

**UKGBC  
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**For further information, please contact:**

Jenny Holland, Public Affairs & Policy Specialist  
[jenny.holland@ukgbc.org](mailto:jenny.holland@ukgbc.org)