

CEN briefing note: energy efficiency

- **Home energy efficiency measures are key to reducing emissions and household bills.** Energy use in homes accounts for around [14% of UK emissions](#), however, installing cavity wall insulation can reduce bills by up to [£235 per year](#) for a semi-detached house.
- **The UK has the [oldest housing stock in Europe](#).** This is predominantly due to the vast number of houses built during the Industrial Revolution, which is the [biggest factor in energy efficiency challenges](#). The energy costs and carbon emissions in new build homes are [on average half](#) that of existing homes.
- **Insulating homes is central to reducing our emissions and cutting bills.** The UK could cut [net imports of gas by 15%](#), [total demand by 7%](#), and [how much it takes to heat a home by 20%](#) by upgrading EPC D homes to EPC C. The number of homes at EPC C or above has risen from [12% in 2010](#) to 48% in 2021.
- **The gas crisis has demonstrated the need for insulating homes.** As the cost of energy has rocketed due to the wholesale price of gas, people are paying dearly for heat which is escaping through the roof. The case for ramping up home insulation has never been clearer.
- **Decarbonising heat is easier with better insulation.** The Government has shown its ambition with heat pumps, aiming for [600,000 to be installed annually by 2028](#), but heat pumps are cheaper to run in more efficient homes. Loft insulation can cost [£590-890 to install](#) and save £330 to £590 per year.
- **ECO4 will invest [£1 billion a year on household upgrades between 2022 and 2026](#).** The criteria for ECO4 focuses centrally on homes in or at risk of fuel poverty and has a ‘whole house approach’, requiring multiple energy efficiency measures to be installed at the same time. To be eligible for the scheme, households must live in a property with EPC D to G and be on certain benefits. It is expected that this will reduce the bills of each upgraded household by [£290 per year](#) for the average household.
- **The industry-led [Great British Insulation Scheme \(previously known as ECO+\)](#) will help around [300,000 more homes save £300-400 a year on energy bills](#).** The Great British Insulation Scheme is open to a wider number of households as it is based on council tax bands rather than eligibility for certain benefits. However, it is still targeted at the least energy efficient households (EPC D to G). The Great British Insulation Scheme was campaigned for by CEN MPs and is a welcome step towards higher energy efficiency.
- **Minimum energy efficiency standards have been introduced for the private rented sector.** Since [April 2020](#), properties on the rental market must have a

minimum EPC rating of E. The Government had considered raising this to EPC C by 2025, however, this was ruled out in October 2023.

- **The Government has eliminated VAT on select energy efficiency measures.** Until 2027, insulation, solar panels and heat pumps are taxed at 0% VAT, supporting households to install more energy efficient heating systems and improve energy efficiency.
- **Energy efficiency is a Conservative vote winner.** A survey found 70% of 2019 Conservative voters think the Government should increase investment in making homes more energy efficient through measures such as insulation and heat pumps.