



Financing decarbonisation - presentation to Finance SDG

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1. Background
2. Context
3. Simplifying assumptions



Financing decarbonisation - Main Findings

1. 20 RSLs responded, 70% of homes. Broad cross section
2. We looked at 5 scenarios:
 - 1 - EPC A by 2030
 - 2 - EPC A by 2030 - higher grant
 - 3 - EPC A - higher cost
 - 4 - EPC A by 2032
 - 5 - EPC B by 2030, EPC A by 2035



Financing decarbonisation - Main Findings

1. Key funding sources are insufficient - even in best case scenarios there are funding gaps across the sector of c£1.1bn, and breaches of covenants, and lost homes of around 13,000 over 30 years. In the worst case this more like £2.4bn and 28,000 homes.
2. Rent policies would need to be reviewed in all scenarios
3. RSLs expressed concern about their ongoing viability. Covenants are almost always breached.
4. Grant rates has the biggest effect on the numbers not delays beyond 2030.
5. Different internal contributions obvious in the sample but overall c £0.25bn



Financing decarbonisation - key influencing objectives

1. Securing widespread understanding of the of the challenge and the need for a mixed funding model
2. Stimulating a debate about how to close the funding gap and the early development of ideas.
3. Detailed analysis and development of a suite of financing options
4. New energy efficiency standards are achievable and supported by a funding package.