

Northern England and Wales to take up to 30 years longer to meet energy efficiency targets than the South East

- The Government wants UK homes to meet energy efficiency targets by 2030, but large regional variations in household energy efficiency create challenging conditions
- London and the South East are on track to achieve an average EPC grade of C by 2031, far ahead of other regions. The North West will not achieve the same level of energy efficiency until 2061
- Gap between regions has grown, rather than shrunk, in the last decade with 3.6 SAP points separating the least and most efficient regions in 2010, growing to 3.9 SAP points by 2020

February 22, 2021 – An ***Energy Efficiency Investment Index*** has been published by geo-spatial technology firm Kamma in response to consultations by the Department for Business, Energy & Industrial Strategy ([BEIS](#)), which aims to improve home energy performance through the property sector. Under review are proposals for letting agents and lenders to take lead roles in encouraging homeowners to improve their energy efficiency, in order for the UK to meet its 2050 net-zero targets. The Index reveals the sheer scale of the challenge faced in some parts of the country, with Northern regions and Wales on course to take several decades longer to achieve the national Government target, than London and the South East.

More than 60% of UK households are currently in band D on their Energy Performance Certificates (EPCs), which are graded between A and G. A lower grade means householders spend more on their energy bills and pump tonnes more CO₂ into the atmosphere than is necessary. The Government has proposed a target to bring homes to an average EPC band C by 2030, in order to help to bring all greenhouse gas emissions to net zero by 2050. Household emissions account for 22% of the UK's total greenhouse gas emissions.

The ***Energy Efficiency Investment Index*** analysed the current rating of housing stock, revealing the energy efficiency challenge is particularly acute in parts of the North of England and Wales where performance is both lower and improving at a slower rate. In Yorkshire and Humber 64% of homes fall below the target level of EPC grade C, whilst in London this number is almost 10% lower, at 55%. With housing stock in Wales and the West Midlands at similarly low levels, 63% at EPC D or below, and the North West at 62%, more needs to be done to close regional inequities in efficiency.

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Despite this, the last decade has seen no meaningful change in the size of this gap between the best and worst performing regions. To achieve a band C, a property must score at least 69 'SAP points', with upgrades such as double-glazing, floor and wall cavity insulation or solar water heating panels all improving a property's score. The best performing region in terms of SAP average was London, achieving an average score of 64 in 2010, improving to 66.4 by 2020 and on target to achieve the EPC C brand (minimum 69 SAP points) by 2031. In contrast the lowest performing, Wales, grew from just 60 to 63 SAP points, a rate of growth that won't see it achieve an average of 69 until 2051. The slowest moving region, the North West would take a further 10 years, arriving at the same level of energy efficiency 30 years after London and the South East.

As Kamma CEO, Orla Shields, explained: "We need to double the pace of energy efficiency improvement of homes to meet these new targets by 2030. The Government's proposals for letting agents and lenders to take lead roles in the fight to improve energy efficiency will no doubt drive more impetus towards addressing the issue. However, we must also take swift action to address the regional inequalities that have existed for over a decade."

EPC data has been made "open" and freely available but integrating this data with lender or letting agent portfolio data is technically challenging. Disclosing portfolio-wide EPC performance means reconciling and matching the exact property and delivering accurate information at scale. Without a clear view on current portfolio performance, it could prove impossible for private sector actors to improve it.

Commenting on the findings, Andrew Knight, Data & Technology Analyst at the Royal Institute of Chartered Surveyors noted: "The ability to connect data sets from multiple sources will be key in driving improved energy performance for individual properties. And, in supporting lenders and policy makers analyse at both portfolio and national levels. Data on residential property is currently highly fragmented and unstructured and geospatial technology has the potential to support a variety of use cases such conveyancing, rental and fire safety in addition to sustainability in all its forms."

Kamma is a world-leading geospatial technology company based in the UK. It specialises in creating unique data and solutions from disparate information for the property and financial sectors. Their unique technology is adept at reconciling large volumes of address data with multiple datasets and providing clear insights that drive business growth. Kamma Sweeper provides accurate and customisable analysis of the back book, segmented by risk, geography and custom categories. It automatically monitors and reports on portfolio-wide energy performance, as well as identifying

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opportunities for targeted green product offerings. For originations and remortgages, Kamma Checker delivers complete transparency on a property's EPC status in real-time. At a click of a button, users can gain access to a property's current and historical EPC data, facilitating smarter lending decisions and opening up opportunities for green finance products.

Learn more about Kamma – www.kammadata.com

Download the whitepaper - www.kammadata.com/EPC

Speak to the team – hello@kammadata.com

Visit the site at - www.kammadata.com

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