



Independent Networks
Association

Independent Networks Association publishes a report highlighting necessary steps toward the successful implementation of the Future Homes Standard

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The Independent Networks Association (INA), the trade body representing independent utility networks, has today published a report reviewing the Government's Future Homes Standard.

Produced by EY on behalf of the INA, the report looks at the practical timescales for transitioning to the Standard, the overall fit with a range of de-carbonising heat technologies (e.g. heat pumps) and how it could support the post-Covid economic recovery. The report highlights how the Future Homes Standard is crucial to the delivery of Government policy on achieving zero carbon homes, as well as meeting the Government's target of building 300,000 new homes per year. The report sets out the steps needed to enable the UK manufacturing sector to lead the implementation of the Future Homes Standard, delivering the means to construct low carbon heating technologies at scale.

As part of the analysis, EY highlights the additional capacity needed within the electricity network. It suggests that the gas network also has a crucial role to play in helping to deliver the nation's energy needs while meeting the UK's zero carbon targets, by transitioning to hydrogen.

Tim Bunnell, Partner at EY-Parthenon and co-author of the report, says: "The report sets out the contribution the Future Homes Standard will make to achieving the Government's net-zero ambitions, whilst highlighting a number of practical steps that would make the implementation successful."

Nicola Pitts, Executive Director of The Independent Networks Association (INA) said: "INA members are committed to making the Future Homes Standard a success. Our members connect most of the new homes to energy networks and other utilities in the UK. As such, we want to ensure a smooth transition to the Future Homes Standard and this report looks to support further policy development on that path."

"The INA is particularly concerned that the Government does not pick a technology winner for heat when knowledge and understanding of heat pumps amongst consumers is so low. No public awareness and engagement campaign has taken place with consumers so far. It is clear that 'one size does not fit all' for consumers and this could lead to a lack of demand for the first homes delivered under this Standard."

"Practical delivery of the Future Homes Standard will rely on a clear planning framework, timely and 'right sized' utility connections, a developed low carbon heating system supply



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chain and sufficient numbers of skilled fitters. We need a clear, workable cross-Government plan that brings these strands together in a co-ordinated way. The Government needs to commit to delivering certainty at the right time for industry to deliver to the 2025 date.”

“The Government’s current implementation timetable for the Future Homes Standard gives less than a year between full clarity on the policy in 2024 and its implementation in 2025. INA Members have already seen the uncertainty impacting the speed of delivering new housing projects.”

Scott Fotheringham, Director at EY-Parthenon, and co-author adds: “Outlined in the report is the opportunity for UK manufacturing to supply 300,000 low carbon heating systems per year for new homes from 2025, increasing by a further 300,000 for existing homes by 2028. The need for innovation funding to get low carbon heat technology manufacturing facilities in place by 2025, as well a robust framework of installer qualification and certification is considered. Also highlighted is the significant contribution hydrogen could make in allowing those homes which cannot be insulated to the highest standards to still reduce their carbon emissions.”

Notes to Editors

1. The Independent Networks Association (INA) was formed at the start of 2020 through the merger of the Competitive Networks Association (CNA) and the Association of Independent Gas Transporters (AIGT).

2. INA members construct, operate and maintain local electricity and gas distribution networks. They are not linked to geography and operate across Britain, competing for connection contracts on a commercial basis. Members also connect water, wastewater, local heat networks and fibre. For more information on the INA and its members, please visit our website: www.ina.org.uk or email: info@ina.org.uk

3. In 2019 independent networks connected 71 per cent of new homes to the electricity network and 80 per cent of new homes to the gas grid.

4. The INA engaged EY to write an independent report considering the implications of the Future Homes Standard across a number of policies and stakeholders. The Future Homes Standard aims to reduce carbon emissions of new homes in England by 75% compared to current building regulations. The Standard will be phased with a step in 2021 to lift insulation levels. In 2023 a further consultation will take place on the full technical specifications of new homes – focused on insulation, glazing and low carbon heating (e.g. heat pumps). The current timetable sees this conclude around the start of 2024 with legislation enacted during 2024. The Standard would then be implemented in 2025.