

# A FAIRER RETROFIT PLAN

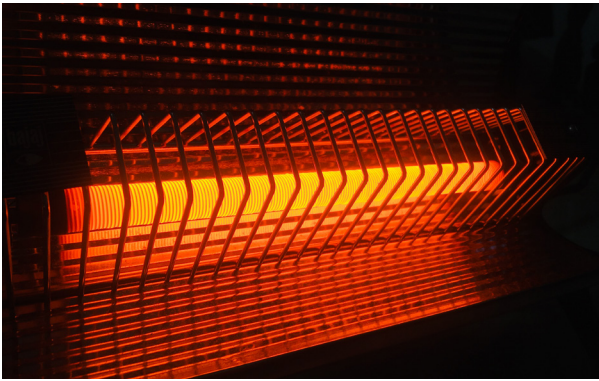


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## Introduction

Sinn Féin are proposing a fair, progressive and effective retrofit plan that will both help meet our climate targets while delivering wider social and economic benefits for workers and families.

Emissions from the residential sector amounted to 11.4% of the state's total greenhouse gas emissions last year. The SEAI's Energy in the Residential Sector report, found that Irish homes emit almost 60% more CO<sub>2</sub> than the average EU home.<sup>1</sup>

Poorly insulated homes require significant amounts of energy to heat, which is contributing to our carbon emissions and is now resulting in unmanageable bills for households.

Heat loss from these homes must be addressed to reduce our consumption of energy and the state must prioritise energy efficiency improvements for the coldest, poorest, and most carbon intensive homes first.

We believe the government's current retrofit plan is deeply inequitable, as it prioritises those with greatest means, over those in greatest need.

Currently, the same level of grant support for a deep retrofit is available for someone on the minimum wage as it is to a millionaire. That is deeply inequitable. Tiered grants would see the most financial assistance provided to those on the lowest incomes, who need the help the most.

The national retrofit plan currently has two distinct streams; the Better Energy Warmer Homes

scheme, which aims to provide free retrofits to those on certain social welfare payments, and the One Stop Shop service, which requires households to have significant savings on hand to invest in retrofitting.

The Better Energy Warmer Homes has an enormous waiting list, meaning those living in energy poverty now, are waiting for over two years for energy upgrades, while at the same time the One Stop Shop scheme is providing significant amounts of grant support to households who need no financial support at all.

For everyone else in between, there is little to no support for upgrading their home to a high BER standard, which leaves them living in colder homes, with mounting energy bills.

The prioritisation of retrofitting for wealthier households is also contributing to the growing delays for households living in energy poverty, as construction workers and materials are being diverted away from where they are needed most.

Sinn Féin want to tackle this inequity, by totally reorientating the national retrofit effort to focus on those in greatest need.

By redirecting the focus, funding and resources to those in greatest need of retrofits, we can reduce the long wait times and make deeper retrofits accessible to workers and families on lower and middle incomes, who are currently excluded.

1 [Energy In The Residential Sector | Key Publications | SEAI](#)



### Existing retrofit schemes

The government's existing schemes are both unfairly targeted and inefficiently rolled out.

The Better Energy Warmer Homes scheme aims to deliver free energy upgrades for those entitled to certain social welfare payments, such as the Fuel Allowance. The government had allocated €109m for 2022 and set a target of achieving 4,800 retrofits under this scheme this year, or 400 per month. However, there are currently over 9,000 homes awaiting works on the Better Energy Warmer Homes Scheme work programme, with a wait time of 27 months<sup>2</sup>.

This waiting list is growing, as under the current government plan, resources are being diverted to retrofitting homes for those who can pay the most.

The Better Energy Warmer Homes is also only available to those on certain social welfare payments, thereby excluding a large amount of people who are on lower incomes and are therefore unable to afford a retrofit under the One Stop Shop service.

By reorientating the focus of retrofitting to those most in need, not those with means, we can both reduce these wait times and open up affordable energy upgrades to more people.

Our proposals will maintain free home energy upgrades for those on social welfare payments, but will also provide financial support for those on lower and middle incomes to access deep retrofits, in order to address the insufficiency of supports at present.

The One Stop Shop or National Home Energy Upgrade Scheme is a new retrofit scheme launched in 2022.

This scheme is contingent on households having significant financial reserves and provides substantial grant support to households regardless of whether they require financial assistance or not. This scheme provides grant support of up to 50% of the cost of a deep retrofit to a B2 BER standard.



For example, a household with the ability to pay €25,000 for retrofit works, will get another €25,000 in taxpayer funded grants to help retrofit their home, regardless as to whether they need said financial support.

Those fortunate enough to own a holiday home for example, can benefit on the double in terms of grants, reducing their bills, increasing the value of their properties, all while those in dire need of new doors and windows, insulation and a heat pump are left at the back of the queue, or excluded from the queue entirely.

We believe this is an inequitable use of taxpayers' money. This scheme excludes the vast majority of households, as they do not have access to such finance and as a result it prioritises retrofits for those with the greatest means, not those in greatest need.

### A fairer retrofit plan

In Budget 2023, Sinn Féin would have invested significantly more in capital expenditure than the government to achieve a fairer and more ambitious retrofit plan.

Sinn Féin's Alternative Budget 2023 would invest around an additional €155m for residential and community retrofit schemes, which when including additional funding for solar PV, rises to around €165m. This would see funding increased by approximately 50% compared to 2022 allocations for the residential and community retrofit subheads under the DECC and DHLGH.

Sinn Féin's allocations would bring the budget for residential and community energy efficiency upgrades to around half a billion-euro next year.

While crucial, increasing investment is just one element of our plan to shift from the current regressive, inequitable and ineffective retrofit policies, to a more progressive, just and efficient retrofit plan.

Our proposals would fundamentally reform how retrofits are funded, targeted and delivered, helping meet our climate goals while furthering our social objectives.

The government, on the other hand, has in Budget 2023 chosen to continue pumping more funds into schemes which are inefficient and ineffective, and inequitable.

Our policies will ensure that around 75% of the funding for retrofits will be directed at those on low and middle incomes, so that achieving our climate targets go hand in hand with alleviating energy poverty and social deprivation.

Across all of our retrofit schemes under the Department for the Environment, Climate and Communications, supports for deep retrofits will be evenly tiered according to household income. This will not only ensure that lower income households are eligible for more supports, but equally, that the highest income households do not get excessive supports.

We are also proposing an area-based approach to the roll out of deep retrofits across our differ-



ent schemes, that aims to speed up the delivery of retrofits, which is urgently needed given the growing backlog.

We would do this by concentrating resources and contractors into specific geographical areas to carry out multiple retrofits at the same time, rather than the current disjointed and one-off approaches.

The area-based components of our schemes will operate alongside each other in practice. It would see local authority homes, tenant-purchased homes and other private dwellings – often located in close proximity – be retrofitted at the same time, helping to reduce wait times, labour intensity and deliver cost savings.

In addition to labour and time saving benefits, there are cost efficiencies to be gained by retrofitting multiple neighbouring properties simultaneously.

Through our plan we can reduce carbon emissions whilst at the same time maximising the socio-economic outcomes from retrofits by targeting and prioritising supports for those on low income and contributing to decreased energy poverty.

For Sinn Féin, ensuring that households socially and materially benefit from the investment in energy reforms is at the heart of a just transition.

# Replace the Better Energy Warmer Homes Scheme with a new scheme for low and middle income households with area-based components

**+€73,000,000**

A central pillar of Sinn Féin's retrofit plan is the establishment of a new area-based retrofit scheme for low- and middle-income households.

In 2023 we would allocate an additional €73m to this new scheme, which represents an increase of around two thirds from the 2022 allocation for the Better Energy Warmer Homes scheme.<sup>3</sup>

Under our scheme, home energy upgrades for those on social welfare payments like the Fuel Allowance and Domiciliary Care Allowance would continue.

We would increase investment for our new scheme to allow for the expansion of the deep retrofit element and to include those on lower and middle incomes. This will see different levels of funding towards the costs of retrofitting homes, ranging from 100% free retrofits to 60% depending on household income.

We believe that a centralised, area-by-area retrofit programme is key to increasing the scale and efficiency of retrofit delivery and to getting more home energy upgrades to those who need them most. State funding should be proportionately allocated on the basis of need, so that those least able to afford home energy upgrades and most at risk of energy poverty are given the greatest levels of support.

For many, the only recourse they have under the government's schemes requires having €25,000 on hand to access a decent home energy upgrade. The levels of funding provided under our scheme will significantly improve the accessibility and affordability of retrofits for those locked out of the government's schemes.

If a single pensioner – in receipt of the Fuel Allowance – living in the Midlands wishes to have their home deep retrofitted as part of the area-based



roll-out, they would be eligible for 100% the cost of a deep retrofit.

If a couple living in a tenant purchased home in Dublin wishes to have their home deep retrofitted as part of the area-based roll-out, and have a combined household income of €44,200, they would be eligible for 90% the cost of a deep retrofit. Under the government's schemes, they would only be eligible for 50% of the cost.

Our increase in funding would allow for a greater number of homes to be retrofitted in 2023. If all of the funding under this scheme were to be directed at deep retrofits, this would allow for around 6,000 upgrades. If 75% of the funding allocated for this scheme was allocated for deep retrofits and 25% for shallow retrofits, this would deliver around 4,500 homes to B2 standard.

This scheme will therefore increase the scale and efficiency of retrofit delivery and get more home energy upgrades to those who need them most.



### Establish a dedicated retrofit scheme for solid fuel homes

**+€50,000,000**

Next year we would allocate €50m to establish a new retrofit scheme for solid fuel homes – around 10% of our overall residential and community retrofit budget – prioritising those on low and middle incomes.

Our scheme will assist those in solid fuel houses to transition to more sustainable and comfortable homes in a way that is fair, just and affordable. Whereas the government's approach to solid fuel homes – from turf bans to carbon tax hikes – is defined by punitive action, Sinn Féin believe that affordable and attainable alternatives should come first.

Many of those who depend on burning solid fuels for heat are on lower incomes and living in older, colder homes.

Around 10% of houses in the state rely on solid fuels for central heating, predominantly in rural areas. Solid fuels are among the most carbon intensive fuels, emitting almost twice as much emissions as natural gas and contributing to

poor air quality levels. For many, alternatives are either non-existent or out of reach.

Our solid fuel retrofit scheme will see different levels of funding towards the costs of retrofitting homes, ranging from 100% free retrofits to 60% depending on household income.

If a two-person farming household in Mayo wish to deep retrofit their solid fuel home and install a heat pump, and have a combined household income of €52,250, they would be eligible for 80% the cost of a deep retrofit. Under the government's schemes, they would only be eligible for 50% of the cost.

By allocating over 10% of our retrofitting budget to the retrofit of solid fuel homes, we would both improve the comfort and health of households while maximising our emissions reductions. Our €50 million allocation – along with co-funding – would see around 1,200 homes retrofitted to B2eq standard in 2023.



### Local Authority Home Retrofits

**+€42,500,000**

For Sinn Féin, retrofitting our social housing stock must be a priority.

Those in social housing are more likely to be at risk of energy poverty and therefore in greater need of home energy upgrades.

The state should be leading by example and improving the energy efficiency of these homes to reduce heat lost and help people save on their energy bills.

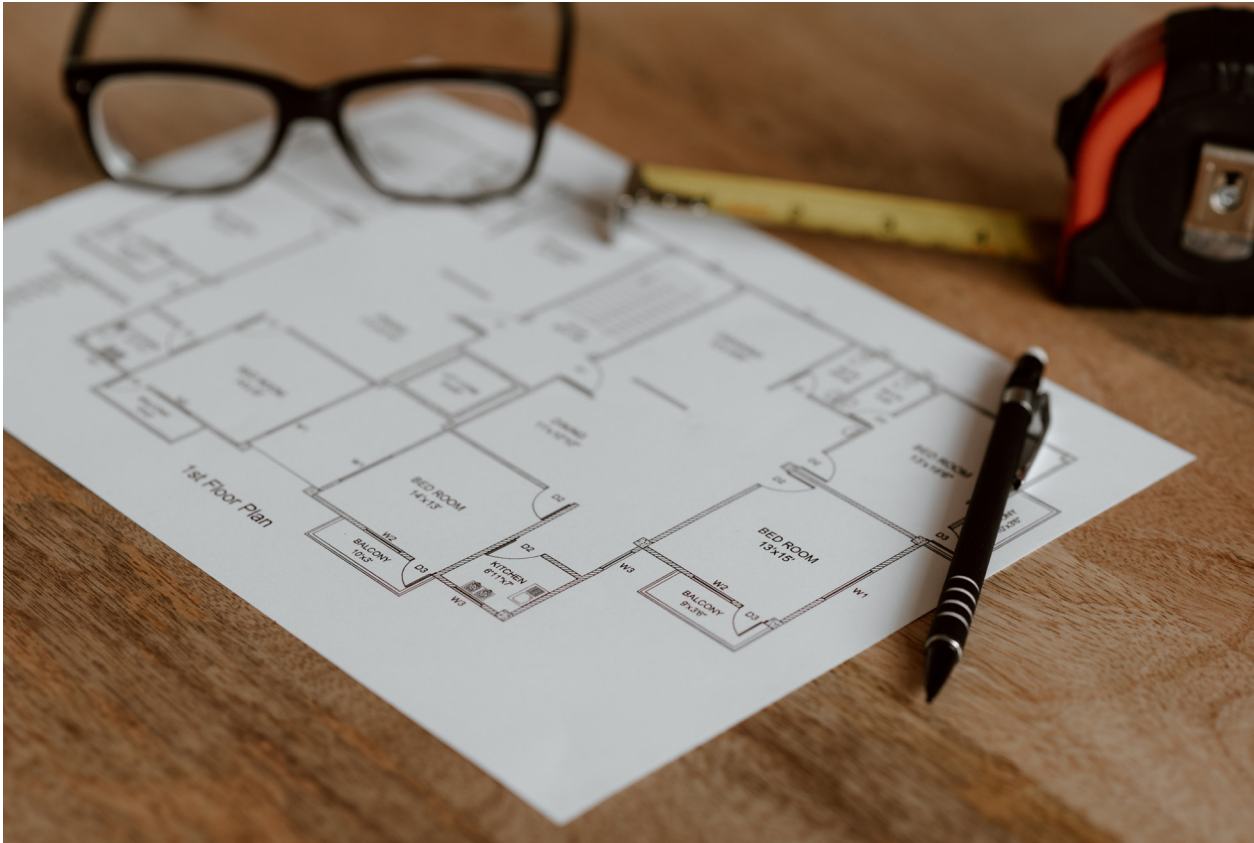
We will allocate the necessary resources to scale up the retrofit of social homes, to ensure that the environmental benefits of retrofits go hand in hand with alleviating social deprivation.

As well as tackling energy poverty, Sinn Féin is

also committed to an efficient and effective retrofit plan. As such, we propose that the roll-out of deep retrofits under the Local Authority scheme operate in tandem with our retrofit scheme for low and middle income private households, ensuring that entire areas are retrofitted at a given time.

Sinn Féin will allocate an additional €42.5m to the Department of Housing for the retrofitting of local authority homes which would allow for a much greater number of homes to be retrofitted in 2023. If all of the funding under this scheme were to be directed at deep retrofits, this would allow for around 3,600 upgrades to B2eq.





## Replace the One Stop Shop scheme by introducing tiered income-related grants

**€20,000,000**

Sinn Féin would also replace the One Stop Shop supports with a more progressive, tiered retrofit scheme.

Those who benefit most from the current scheme are those with the highest incomes and those who least need state supports for home energy upgrades. Sinn Féin believe that this inequitable and indiscriminate approach must be entirely reformulated.

The current scheme provides up to 50% the cost of deep retrofits irrespective of whether applicants are from low, middle, high or extremely high-income households; thereby giving the same support for those on minimum wage as millionaires.

In 2023, we would allocate €20m to this scheme, which would provide tiered income-related

grants for middle to high income households. Although this scales down the funding from Budget 2022 levels, the majority of private households who would have been eligible for this scheme – while not being able to afford it – will now be eligible for greater supports under our new scheme for low and middle income households.

Our tiered scheme will likewise graduate state funding for higher income households with an upper limit on income for eligibility. Our tiered scheme will provide supports ranging 55% to 5% towards the costs of retrofits, depending on household income. We would also set an upper limit on eligibility to ensure that the wealthiest do not disproportionately avail of state supports that they do not need.

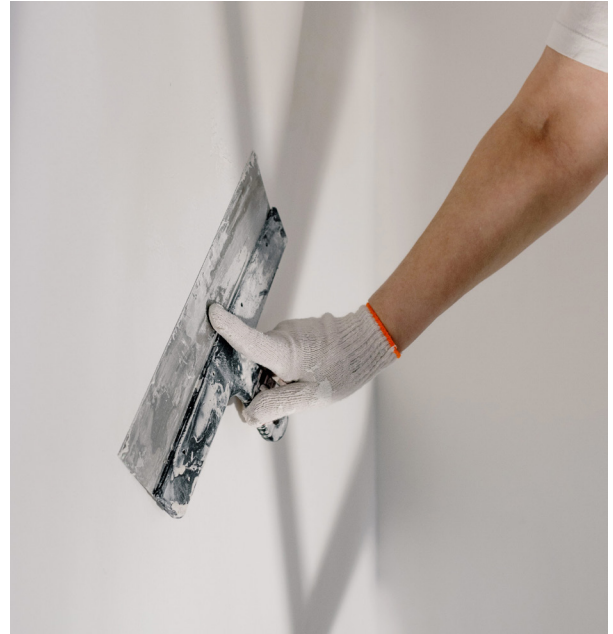


### Vacant homes and low carbon construction methods

In addition to upgrading our existing local authority housing stock, Sinn Féin's wider public home building programme will see new homes built to high energy standards.

Our plan to deliver 100,000 public homes over the coming years will also include a focus on the refurbishment of vacant properties, which is a lower emission approach for addressing the current housing crisis.

We will also work to increase the production of sustainable building materials here, such as timber and hemp. Timber can reduce our heavy reliance on carbon intensive concrete construction, while hemp cultivation can diversify farm incomes and produce sustainable building products like hempcrete, fibre board and insulation.



### Local Energy Action Fund

**+€8,000,000**

The transition to a carbon neutral society will require radical change, not just technologically but socially too. Community-led climate action will play a key role in this and the state must support communities in grassroots climate action.

The SEAI's Sustainable Energy Communities programme, empowers local people to make changes that will benefit their community and the environment. Utilising mentoring and grants from the SEAI, locally formed committees identify changes that should be made to help reduce energy use and to increase renewable energy production.

Through meeting with community groups that have gone through the Sustainable Energy Com-

munity programme, it has become clear to us that they are being held back.

SECs are funded to network, research, and plan what they would do to reduce emissions. However, when it comes to putting those plans into action, funding has been lacking. This is a serious hole in the government's plan to harness the potential of community-led climate action.

Sinn Féin would address this shortcoming by establishing a Local Energy Action Fund next year, administered by the Sustainable Energy Authority of Ireland, to help unleash the power of communities to deliver climate action.

Initial funding of €8m would allow, for example, communities to apply for funding to have works carried out.

### Better Energy Homes Scheme



We would maintain the Better Energy Homes Scheme, which provides grants for step-by-step upgrades, such as attic and cavity wall insulation.

These grants allow households to make smaller changes to their homes, without taking on the major financial burden of a deep retrofit.

Within this programme we will maintain the 80% grants for attic and cavity wall insulation as these changes can help households save significant amounts on their energy bills.

However, we would introduce measures to simplify this scheme, by removing the administrative and up-front financial barriers.

We would reform the system to ensuring the discount is applied at point of purchase, instead of households being required to have €1,000 up front to purchase attic insulation and then apply for a grant of €800 back.



Darred O'Rourke TD visiting the Moray East Offshore Wind Farm, off the coast of Aberdeen, Scotland





### Solar PV

**+€10,500,000**

Sinn Féin believe that our transition to a decarbonised energy system must maximise energy security and affordability for individuals and communities.

Solar PV delivers huge benefits for households and our environment.

Harnessing the energy from the sun reduces emissions, cuts electricity bills, provides electricity to heat water via a diverter and allow people to sell excess electricity back to the grid, further reducing their energy bills.

However, we recognise that due to the high initial upfront cost of installing solar panels, even

with the current grant, this option remains unaffordable for most people, specifically for those who would benefit the most from lower electricity bills.

In 2023 we would increase the budget for solar PV by €10.5 million – an increase of around 75%.<sup>4</sup>

Importantly we would restructure the funding of solar PVs by providing tiered supports, ranging from 100% to 10% of the cost depending on household income. This would make solar PV an option for thousands more households who cannot currently afford it, helping to bring down energy bills and emissions.

4

Based on the indicative 2022 allocation as outlined under the March Supplementary Estimates.



[www.sinnfein.ie](http://www.sinnfein.ie)

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