# Havering council commits £8 million to upgrade 205 social homes to EPC band-C



Havering Council has announced plans to invest more than £8 million in improving the energy efficiency of its social housing stock, aiming to upgrade 205 homes to meet the government’s target of an Energy Performance Certificate (EPC) band-C rating. This move seeks to reduce fuel bills for residents and support net-zero carbon emission targets. The council's project will involve significant insulation improvements and the installation of efficient heating systems, thereby tackling fuel poverty and reducing environmental impact.

The council will receive a government grant of £2.07 million from the third wave of the Warm Homes: Social Housing Fund, while committing £5.1 million from its own budget for 2025/26 towards these upgrades. This investment comes amid a challenging financial landscape for the council, which began the current financial year facing a £74 million budget gap and recently recorded a £6 million overspend, largely related to housing costs.

The broader UK government mandate aims for all rented homes to achieve at least an EPC band-C rating by 2035, up from the current legal minimum of band-E. Properties rated at band-D or below are eligible for these improvements, with typical upgrade costs estimated at around £6,000 for a terraced house and approximately £3,600 for flats. Potential savings for residents can be substantial: band-D homes could reduce energy bills by about £200 monthly, while lower-rated properties might save over £1,000 annually.

This initiative aligns with the UK government's accelerated plan introduced in February 2025, targeting all private rental homes to meet an EPC band-C standard by 2030, an earlier deadline than Havering’s local target. This plan is part of a wider effort to lift hundreds of thousands of households out of fuel poverty by enhancing energy efficiency with measures such as insulation and double glazing. The government has also proposed reforms requiring a valid EPC throughout tenancy periods to ensure transparency and accuracy in energy efficiency information.

Despite progress, the scale of the challenge remains considerable. Research indicates that around 340,000 homes need upgrading each year to meet the 2030 target for rented properties, but current rates suggest this milestone will only be reached by 2045, well behind schedule. The private rented sector currently has around 2.6 million homes rated EPC D or below, with many requiring significant investment to comply with new regulations. Experts warn that about 230,000 homes might not be capable of reaching the band-C standard and could face potential exclusion from the rental market.

Havering’s investment reflects a microcosm of the national picture, where upgrading the housing stock is essential not just for environmental reasons but for economic relief to tenants struggling with soaring energy costs. London Councils' executive member for climate, transport, and environment, Kieron Williams, highlighted the crucial role of such funding in making homes warmer and greener, emphasising the long-term aim of securing further investments to enhance energy efficiency more broadly across the capital.

In sum, while Havering takes decisive steps locally, the nationwide push to upgrade rental homes' energy performance stands as a formidable but necessary task to meet climate goals, reduce fuel poverty, and ensure healthier, more affordable homes.

### 📌 Reference Map:

* Paragraph 1 – [[1]](https://www.yellowad.co.uk/havering-to-spend-8m-improving-homes-energy-efficiency/?utm_source=rss&utm_medium=rss&utm_campaign=havering-to-spend-8m-improving-homes-energy-efficiency), [[7]](https://www.gov.uk/government/publications/heat-and-buildings-strategy/heat-and-buildings-strategy-accessible-webpage)
* Paragraph 2 – [[1]](https://www.yellowad.co.uk/havering-to-spend-8m-improving-homes-energy-efficiency/?utm_source=rss&utm_medium=rss&utm_campaign=havering-to-spend-8m-improving-homes-energy-efficiency)
* Paragraph 3 – [[1]](https://www.yellowad.co.uk/havering-to-spend-8m-improving-homes-energy-efficiency/?utm_source=rss&utm_medium=rss&utm_campaign=havering-to-spend-8m-improving-homes-energy-efficiency), [[2]](https://www.rightmove.co.uk/news/articles/property-news/epc-targets-for-rental-homes-cost-greener-homes-report/)
* Paragraph 4 – [[5]](https://www.gov.uk/government/news/warm-homes-and-cheaper-bills-as-government-accelerates-plan-for-change), [[6]](https://www.gov.uk/government/consultations/reforms-to-the-energy-performance-of-buildings-regime/reforms-to-the-energy-performance-of-buildings-regime), [[7]](https://www.gov.uk/government/publications/heat-and-buildings-strategy/heat-and-buildings-strategy-accessible-webpage)
* Paragraph 5 – [[3]](https://www.cbre.co.uk/insights/articles/2030-epc-deadline-a-turning-point-for-the-private-rented-sector), [[4]](https://www.cieh.org/ehn/housing-and-community/2024/september/340-000-homes-need-energy-efficiency-upgrades-annually/)
* Paragraph 6 – [[1]](https://www.yellowad.co.uk/havering-to-spend-8m-improving-homes-energy-efficiency/?utm_source=rss&utm_medium=rss&utm_campaign=havering-to-spend-8m-improving-homes-energy-efficiency), [[3]](https://www.cbre.co.uk/insights/articles/2030-epc-deadline-a-turning-point-for-the-private-rented-sector), [[7]](https://www.gov.uk/government/publications/heat-and-buildings-strategy/heat-and-buildings-strategy-accessible-webpage)

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## Bibliography

1. <https://www.yellowad.co.uk/havering-to-spend-8m-improving-homes-energy-efficiency/?utm_source=rss&utm_medium=rss&utm_campaign=havering-to-spend-8m-improving-homes-energy-efficiency> - Please view link - unable to able to access data
2. <https://www.rightmove.co.uk/news/articles/property-news/epc-targets-for-rental-homes-cost-greener-homes-report/> - In February 2025, the UK government confirmed plans to require all rental properties to achieve an Energy Performance Certificate (EPC) rating of C by 2030, up from the current minimum of E. This initiative aims to reduce energy bills for tenants and promote greener housing standards. Landlords may face significant investment costs, estimated between £6,100 and £6,800 per property, with potential total expenses reaching up to £64,000 for portfolios of eight properties. The National Residential Landlords Association (NRLA) advocates for government support through financial aid and a phased implementation timeline. Suggestions include implementing the 2030 requirement for new tenancies first, followed by 2033 for extended ones, and 2035 for all rental properties. Landlords can improve EPC ratings through various measures such as installing insulation, solar panels, or double-glazing, with expenditure capped at £15,000. Exemptions and support schemes may be available for those facing affordability challenges. Over 2.5 million privately rented homes currently fall below the proposed standard, but experts note that small, cost-effective upgrades can significantly improve EPC ratings.
3. <https://www.cbre.co.uk/insights/articles/2030-epc-deadline-a-turning-point-for-the-private-rented-sector> - As of mid-2024, approximately 2.6 million homes, or 60% of private rented sector (PRS) homes, had an EPC rating of D or below, indicating inefficiency. Upgrading these homes is crucial for the UK to meet its energy targets. The average gas and electricity bill across all tenures is now almost 30% higher compared to Winter 2021/2022, and the price cap rose again in October 2024 by 10%. Improving the energy efficiency of homes will help to significantly reduce energy bills. For example, fuel costs for homes in bands F and G were more than two times higher than those in bands A-C in 2023. According to the English Housing Survey, the average energy bill saving for PRS homes improved to EPC C is £284 a year. However, there may be challenges when implementing this regulation. Firstly, some of the housing stock will not have the potential to achieve an EPC rating of C. Estimates suggest approximately 230,000 homes that require improvement will not be able to reach the required lettable standards. Still, the major challenge will be the level of homes that require upgrading and reassessing. Excluding the 230,000 that can’t be upgraded, and the 100,000 additional homes we expect will be upgraded in the second half of 2024, there remains around 2.27 million inefficient homes. These will need to be upgraded and reassessed in the next five years to be compliant before the start of 2030. This translates to approximately 454,000 EPCs being issued at A-C each year from 2025 to 2029. This is over twice the current issuance rate. Between 2018 and 2023, the issuance rate of A-C EPCs has doubled, with an average annual growth rate of 13.5% in the last three years. Still, the total annual issuances remain under 200,000. If the rate of issuances continued to grow at 13.5%, around 1.48 million properties could meet the regulatory level by 2030. While this is closer to the target, it would still leave a shortfall of 780,000 properties. This, added to the 230,000 properties unable to upgrade, could lead to over 1 million properties exiting the rental market.
4. <https://www.cieh.org/ehn/housing-and-community/2024/september/340-000-homes-need-energy-efficiency-upgrades-annually/> - Research indicates that to meet the UK government's energy efficiency target for rented homes to achieve an EPC rating of C or above by 2030, approximately 340,000 homes must be upgraded annually. However, at the current rate of progress, it will take until 2045 for all homes in England and Wales to achieve this, 12 years later than the proposed target. Each year, 340,000 homes must be upgraded to meet the government’s energy efficiency target for rented homes to achieve an Energy Performance Certificate (EPC) rating of C or above by 2030. However, at the current rate of progress, it will take until 2045 for all homes in England and Wales to achieve this, 12 years later than the proposed target. Research from Hamptons found that in 2024, 55% of all privately rented properties awarded a new EPC certificate achieved an A-C rating, compared to 48% of owner-occupier homes. In 39% of cases, the EPC moved to a higher band, up from 34% a decade ago; half of homes previously rated D achieved at least a C rating upon reassessment, saving tenants an average of £499 annually on utility bills, while 29% of homes rated E were reassessed as having a rating of C or above. Professor Richard Fitton, Professor of Building Performance at the University of Salford, said: “It is heartening to see that in general the private rental sector is continuing the work of bringing its stock to a higher level, despite the last government scrapping their targets in this area.” However, the research points to around 340,000 homes a year to be retrofitted to meet a 2030 target, which is challenging, especially considering the older housing stock.
5. <https://www.gov.uk/government/news/warm-homes-and-cheaper-bills-as-government-accelerates-plan-for-change> - In February 2025, the UK government accelerated its Plan for Change to provide warmer homes and reduce energy bills. The initiative aims to lift up to half a million households out of fuel poverty by 2030 by improving energy efficiency in the private rental sector. Tenants in poorly performing properties could save hundreds of pounds annually on energy bills. Energy-saving measures, such as insulation and double glazing, will be installed to cut costs and protect renters' finances. As of 2030, all private landlords will be required to meet a higher standard of Energy Performance Certificate (EPC) C or equivalent in their properties, up from the current level of EPC E. This policy is part of the government's broader strategy to enhance housing standards and promote environmental sustainability.
6. <https://www.gov.uk/government/consultations/reforms-to-the-energy-performance-of-buildings-regime/reforms-to-the-energy-performance-of-buildings-regime> - The UK government is consulting on reforms to the Energy Performance of Buildings (EPB) regime, aiming to improve energy efficiency in homes and buildings. The consultation seeks views on proposals to require a valid Energy Performance Certificate (EPC) throughout the tenancy period, ensuring landlords and tenants have accurate and up-to-date information. This measure is part of the government's broader strategy to decarbonise housing and achieve net-zero targets. The consultation also includes plans to upgrade five million homes by the end of the current parliament and to reduce fuel poverty by ensuring as many fuel-poor homes in England as reasonably practicable achieve a minimum EPC band C by the end of 2030.
7. <https://www.gov.uk/government/publications/heat-and-buildings-strategy/heat-and-buildings-strategy-accessible-webpage> - The UK government's Heat and Buildings Strategy outlines plans to decarbonise homes and buildings, aiming to achieve net-zero emissions. The strategy includes commitments to upgrade social housing to Energy Performance Certificate (EPC) band C, with funding allocated for this purpose. It also discusses the decarbonisation of privately rented homes, proposing increasing energy performance requirements from 2025 to 2028, with a goal for all privately rented properties in England and Wales to meet or exceed EPC band C by 2030. The strategy highlights the importance of improving energy efficiency in homes to meet climate targets and reduce carbon emissions.