



Train local, work local, stay local: retrofitting and levelling up

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**The progressive
policy think tank**

Agenda

- › Key messages
- › What's the target?
- › Benefits
- › Spotlight on local jobs and skills training
- › Challenges
- › Recommendations

Key messages

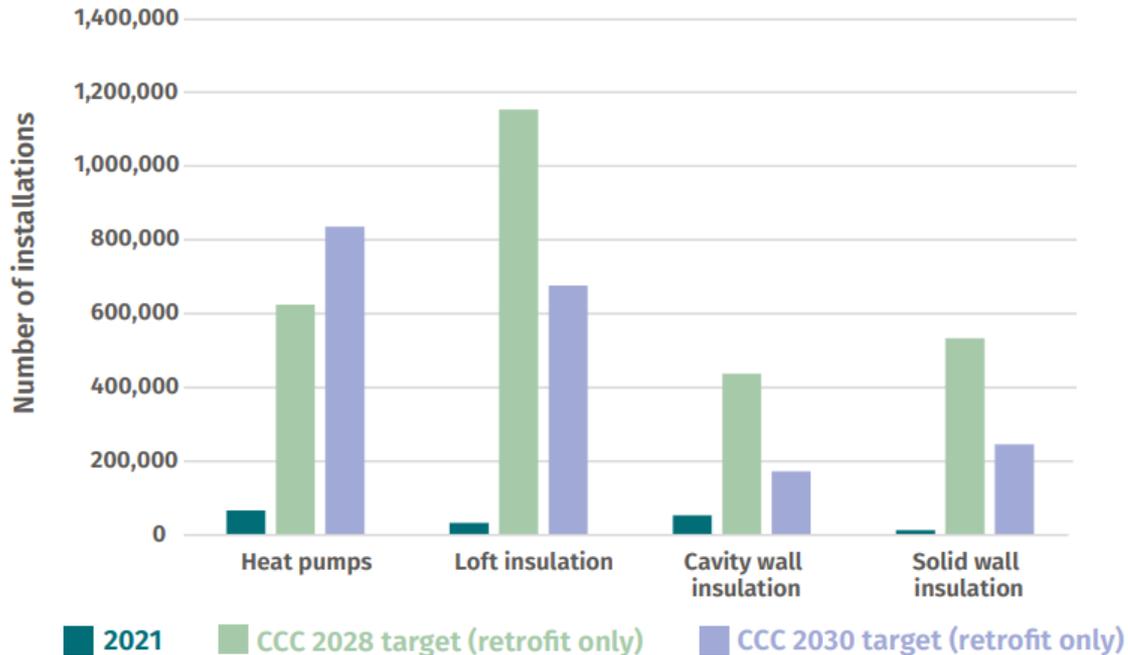
- › A retrofitting programme is not difficult because the technology or the process is inherently difficult, it is difficult because previous schemes have been badly designed
- › Retrofitting is virtually agenda-proof – it cuts energy bills, improves our health, creates jobs, improves energy security and can level up the country
- › There are important skills challenges in the RMI sector – such as financial support for, and communicating the benefits of, retraining; attracting new apprentices; improving access to training; and providing more practical testing – but these are very solvable problems with clear-eyed and comprehensive **nationwide retrofit programme**

What's the target?

➤ The UK has a long way to go on scaling up retrofitting

BEHIND THE PACE NEEDED TO KEEP TRACK WITH NET ZERO TARGETS

Installations in 2021 by technology compared to annual installations targets for 2028 and 2030



Source: HPA 2021, CCC 2022b (adapted by IPPR)

Benefits

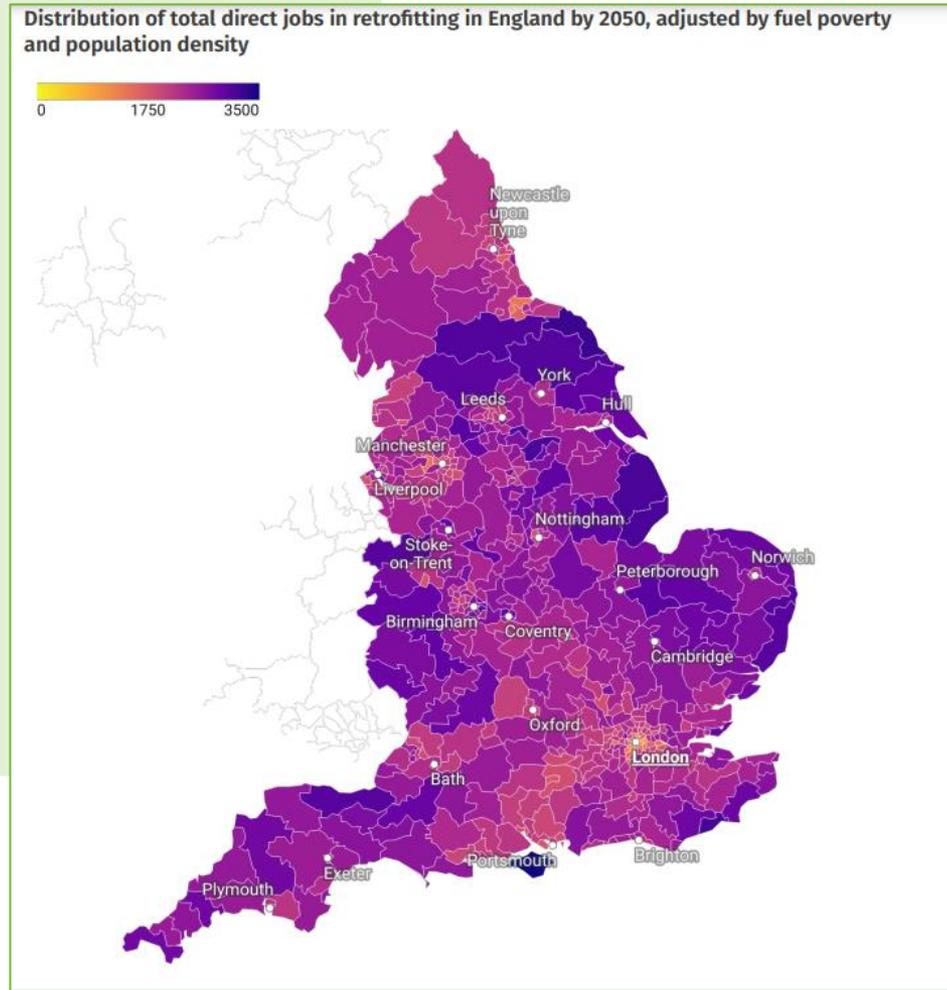
- › Up to £430 in savings on energy bills for the average household (at current price cap level, higher once it is removed)
- › Reducing overall gas demand by 37 per cent by 2050 and reducing imports in the process
- › Investment in a comprehensive retrofitting programme could save the NHS as much as £56 billion by 2040
- › **Key benefit for today: the opportunity for local training to create local jobs that becomes a cornerstone of levelling up**

Spotlight on local jobs and skills training

- A comprehensive retrofitting programme could sustain 400,000 direct jobs in the RMI sector and 500,000 indirect jobs across the supply chain by 2030
- The distribution of these jobs matches well with the levelling up agenda and brings with it the opportunity to create and train workers in local economies across the country

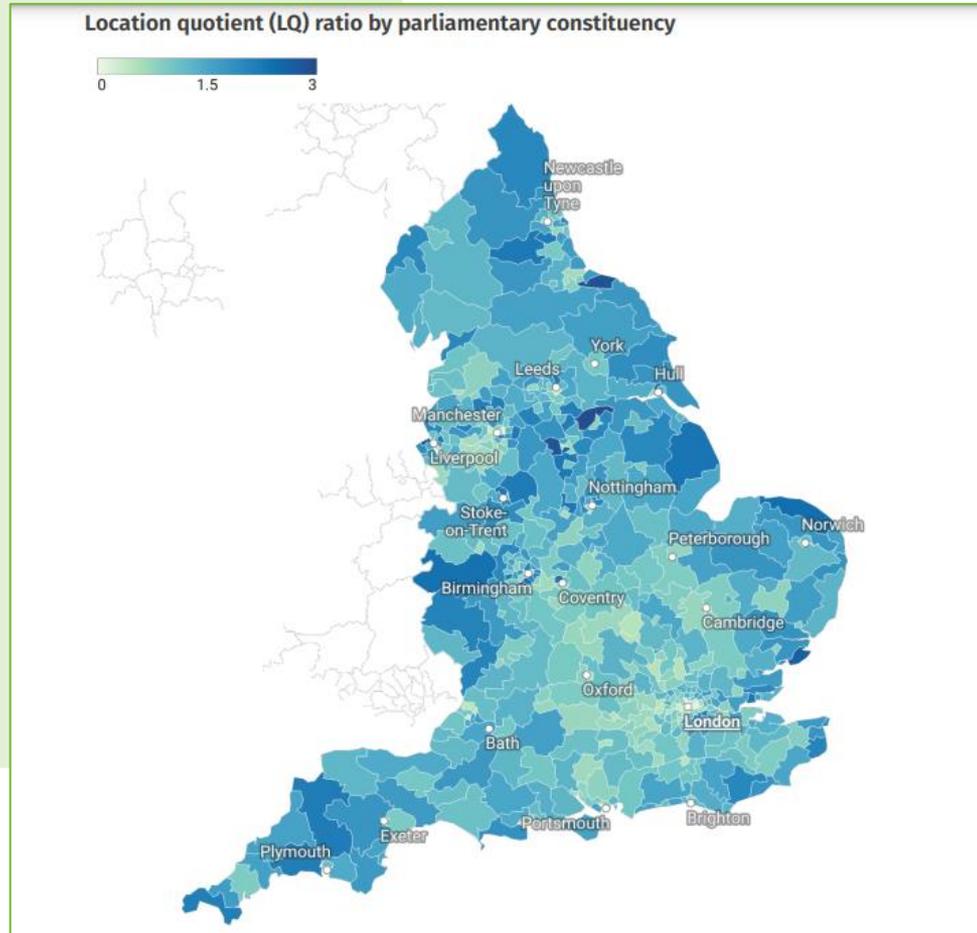
Spotlight on local jobs and skills training

- Retrofitting jobs are needed across the country, including target areas for levelling up



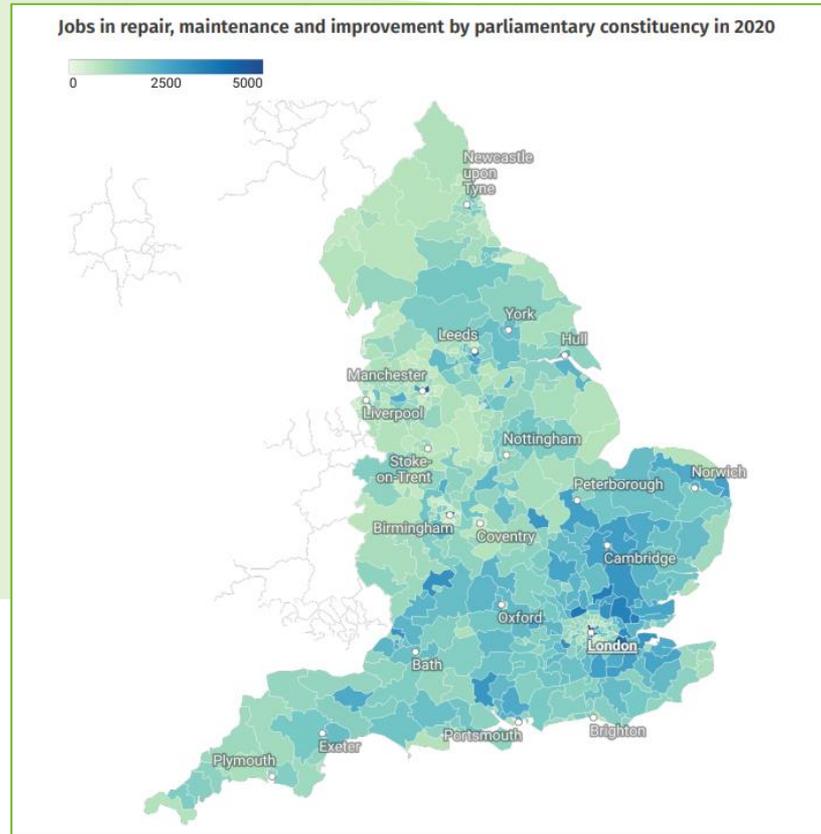
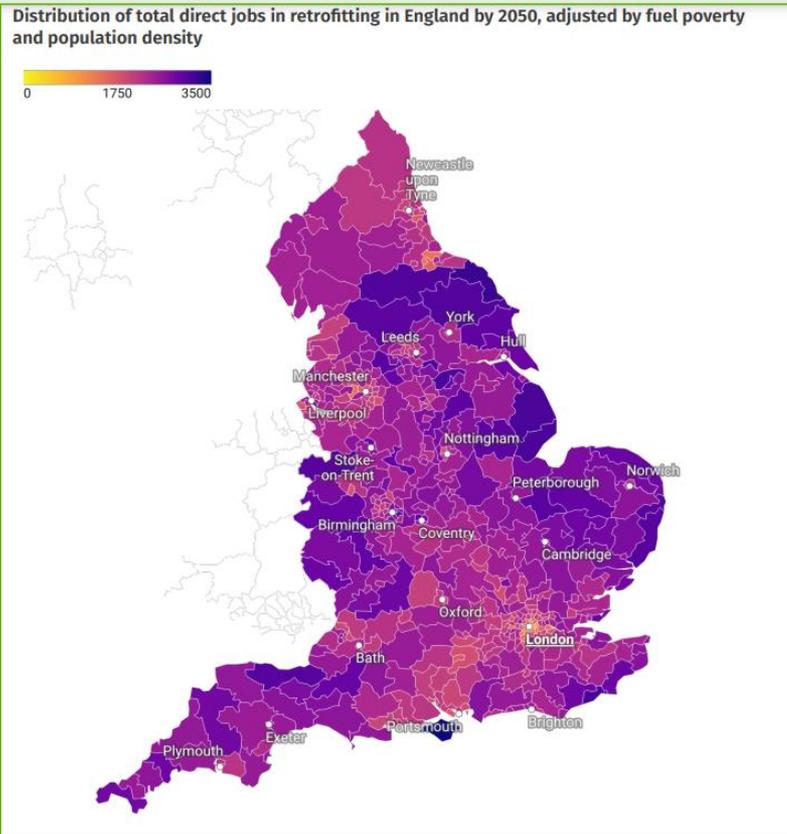
Spotlight on local jobs and skills training

- Retrofitting can become a more important employer *within* certain constituencies than its importance to the whole of the UK



Challenges (1)

- More investment is needed in the RMI sector outside of London and the South East in order to match up with demand for retrofit



Challenges (2)

- › Time and resource cost, particularly for SMEs and micro-businesses
- › Low bar for entry into the sector can be beneficial but may be less attractive to some apprentices or workers retraining from other industries
- › Difficult attracting new apprentices
- › Shortages in trainers and teachers in FE and technical colleges
- › Training standards need to move towards whole-house approach
- › Critical need for more practical on-site training

Overarching recommendations

- › Policy in five key areas
 - › Standards
 - › Cash
 - › Comms
 - › Capacity
 - › Skills
- › A comprehensive retrofitting programme must do all these things

Skills recommendations...

- Expanded training standards to encourage installation of energy efficiency and low-carbon heating together (or at least training to ensure installations are compatible with each other)
- Increasing practical on-site training and on-site testing hubs to be provided by local colleges
- Improve quality assurance of training
- £160 million per year through to 2030 for local retrofitting training courses

...Facilitated by skills academies

- › Originally introduced in the 90s to skill people up to work on oil and gas extraction, but now essential for heat decarbonisation
- › Its key tasks would include:
 - › Identifying specific and local upskilling, reskilling and new skills needs with local stakeholders including unions, local authorities, skills advisory panels and local employers
 - › Supporting TrustMark and MCS to accredit training providers
 - › To provide online forum of accredited training providers and an advice service for businesses and individuals seeking training
 - › Acting as delivery body for providing financial support for training
 - › Developing skills passports for workers with transferable skills

How it all fits together

Diagram demonstrating the role of skills academies

