

Retrofit – what’s the current environment looking like?

David Barnes

Acting Head of Policy & Public Affairs, Chartered Institute of Building (CIOB)

The Chartered Institute of Building (CIOB)

- Established in 1834, we offer a range of services including membership, professional development, qualifications, and resources to support individuals and organisations.
- Our individual membership consists of approximately 50,000 members worldwide, 80% of which are based in the UK.
- Our membership works across the entire width and breadth of the built environment, from site and construction managers through to building control and heritage roles.



The wider context

- **Clear need to repurpose the built environment**
- Digital economy having a fundamental impact on what buildings and structures we need and how we use them, for example:
 - Less retail space, more home delivery (high street challenge)
 - More flexible offices and possibly less office space
 - More flexible working patterns with more working from home
 - Fewer longer commutes



The wider context

- **For construction, this points to a shift to Repair, Maintenance and Improvement**, putting a heavy emphasis on improvement because:
 - RMI is more labour intensive (retains jobs)
 - The existing built environment must be repurposed to match the economy (raising productivity)
 - The aged housing stock must be made more energy efficient and rapidly (climate change targets)
 - The built environment needs repurposing to meet the needs of an ageing population (social welfare)



Opportunity & Challenges of the Retrofit Market

- Retrofitting every property in London with an EPC rating of C or below would require 148,000 person years of labour (equivalent to the output of 148,000 people working full time for a year). A workforce of between 19,000 and 28,000 skilled and competent workers would be required to deliver retrofit in central London alone.
- At a national level, Reed Environment estimate that rates of retrofit recruitment must triple if the country is to meet its 2050 net-zero target.
- Retrofit, when carried out correctly, also offers numerous other benefits including reduced bills, warmer homes, enhanced quality and resale ability.

The Policy Environment

- Construction and the wider built environment is reliant on policy certainty.
- An overarching policy framework (such as the **National Retrofit Strategy**) which will encompass multiple (hopefully complementary policies) is needed. Not just single-issue demand side incentives such as the Green Homes Grant back in 2020-21.
- Labour won a majority in the 2024 General Election, but their manifesto 'Our Plan to Change Britain' did not contain any explicit references to retrofit or repair, maintenance and improvement (RMI).

The Policy Environment cont.

- Despite no explicit references in the Labour Manifesto, there are some signs of positivity as it included:
 - Plans to provide cheaper, zero-carbon electricity by 2030.
 - Further investment in green energy technologies, installing thousands of clean power projects.
 - Improving access to the national grid to support electrification of industry.
 - Deliver a Warm Homes Plan to upgrade energy efficiency of 5 million homes through grants and low interest loans.
 - Ensure homes in the private rented sector meet minimum energy efficiency standards (EPC C) by 2030.

CIOB support for the retrofit market

- **Homeowner Clients:** In a CIOB survey of 2,000 UK adults, who own their own home and intend to undertake home improvements in the next 12 months found that despite three quarters of respondents being worried about the cost-of-living crisis affecting their home improvement projects, **almost half (48%) did not think having a written contract with their builder or tradesperson was essential.**
- To help navigate the process, we have gathered together FAQs and practical tips to ensure a smooth and successful experience from the start: www.ciob.org/industry/support-for-clients/homeowners
- **Industry practitioners:** Launched a new Retrofit Technical Information Sheet which focuses on what retrofit entails, the approach to be taken and the processes involved. If you are a project manager, academic, contractor, environmentalist or just curious about the rise of retrofitting. This is freely available to CIOB members: www.ciobacademy.org/product/retrofit-of-buildings/
- **Industry practitioners:** Also launched a new pathway for individuals in the retrofit sector to access the CIOB's Building Conservation Scheme. www.ciob.org/learning/specialist-certification#building+conservation+certification

Final Thoughts

- Labour's target of 5 million homes to be upgraded presents challenges and opportunities in the RMI sector.
- Scaling up demand is incredibly important for the retrofit market, but ensuring we have competent and professional people working in the sector will be key to building further trust.
- Clear detail will be needed on how we make manifesto pledges a reality.

Thank you, if you have any questions, please contact policy@ciob.org.uk.