Chartered Institute of Housing

19 November 2025

Sent via Email

To: Chancellor of the Exchequer and Chief Secretary to the Treasury, HMT
CC: Secretary of State for Housing, Communities and Local Government; Minister for Energy Consumers

Subject: Autumn Budget and maintaining full funding for the Warm Homes Plan

Dear Chancellor and Chief Secretary to the Treasury,

As the principal bodies representing housing professionals and providers across the UK, we have welcomed the government's prioritisation of housing since its election. Our homes are the fundamental building block for good health and wellbeing, and the steps the government has taken so far to build new homes, improve the quality of existing homes, and reform the planning system have been significant.

However, we are writing to express our concerns following reports in the media that Warm Homes Plan funding may be reduced in the forthcoming Budget.

We acknowledge the vital importance of reducing energy bills, and we agree that action to do so should be prioritised at the forthcoming Budget. However, any attempt to use capital funding allocated to the Warm Homes Plan to directly reduce bills runs the risk of sacrificing the longer-term solution to high energy bills – improving the energy efficiency of our homes – for short-term relief.

As organisations representing social housing providers, professionals, and the residents they serve, we know first-hand how important improving energy efficiency is to delivering permanently lower bills, tackling fuel poverty, and ensuring that homes across the country are warm, safe and affordable. Any reduction in funding risks the reversal of progress at a time when millions of low-income households - including many in social housing - can least afford rising energy costs.

In an era of persistently high energy bills, there is also substantial evidence that improving the energy efficiency of homes shields low-income households from volatile wholesale energy costs. For instance, an evaluation of the privately funded Warm Homes Fund (WHF), which provided funding to local authorities and housing associations to deliver energy efficiency measures in low-income homes across Great Britain during the energy crisis, found evidence that measures installed through the programme protected beneficiaries from the worst impacts of energy price spikes during the winter of 2021/22. It found that the average saving per household was £922 per annum, far greater than any

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Chartered Institute of Housing
Suites 5 and 6, First Floor, Rowan House, Westwood Way, Coventry, CV4 8HS
Tel: 024 7685 1700 Email: customer@cih.org

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reduction that could be achieved by directly intervening to reduce energy bills.[1] An evaluation of Wave 1 of the previous government's Social Housing Decarbonisation Fund also found evidence that the installation of energy efficiency measures had resulted in energy bill savings for beneficiary households, despite background energy price rises and fluctuations.[2]

In this context, any cuts to the Warm Homes Plan would have significant consequences for the ability of housing providers to upgrade their homes. A withdrawal of support would also have wider system impacts. Businesses across the country have invested in re-skilling and increasing manufacturing capacity to supply low-carbon heating and insulation. Research shows that if government provides a stable policy and funding environment, the boost to jobs will be significant, and delivering the full £13.2 billion investment in the Warm Homes Plan could support 37,000 skilled jobs every year until 2030.[3] However, without stable demand - much of which comes from social landlords upgrading their homes - the market for heat pumps and related technologies could be at risk of collapse. This would be a setback that cannot simply be reversed, placing at risk a vital and expanding industry.

At the forthcoming Budget, we therefore urge you to protect the full Warm Homes Plan funding as part of a coherent, long-term strategy that reduces energy costs, strengthens the economy, creates skilled jobs, and ensures that every home - particularly those housing the most vulnerable - is warm, affordable and future-proofed.

Yours sincerely,

Gavin Smart, Chief Executive, Chartered Institute of Housing
Tracy Harrison, Chief Executive, Northern Housing Consortium
Kate Henderson, Chief Executive, National Housing Federation
Eamon McGoldrick, Managing Director, NFA
Janet Sharpe, Chief Executive, ARCH

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[1] Newcastle University, National Energy Action, and Energy Audit Company (2023) Warm Homes Fund Programme Evaluation: Final Report, p.85-92.
[2] DESNZ (2024) Social Housing Decarbonisation Fund (SHDF) Wave 1: Process Evaluation Report, p.102-104.
[3] E3G (2025) The Warm Homes Plan will boost UK finances.

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