



Independent Networks  
Association

National Infrastructure Commission

Second Call for evidence

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## **Evidence from the Independent Network Association**

The Independent Networks Association (INA) represents the leading independent utility network owners and operators who serve the domestic, commercial and industrial sectors across Great Britain. The members provide last mile connections in electricity, gas, water and wastewater and operate those networks for the benefit of those customers, providing distribution services and, in the case of water, they also provide the supply.

INA members compete against each other and wider companies to provide multi-utility networks across GB, which is now the preferred choice for building developers. INA's member companies will be instrumental in driving the Government's ambitious housing targets as they connect 70-80% of new homes to energy infrastructure.

### **Decarbonisation of heat**

At the forefront of the Government's policy to decarbonise heat is the introduction of low carbon heating in new homes through the Future Homes Standard. This is the Government's earliest interventions in mandating how a household heats their home. The policy needs to be successful in its delivery as this could unlock many benefits. These include the Government's reliance on this policy to drive down future costs of heat pumps and to make their installation costs on a par with the costs of a gas or hydrogen-ready boiler. A rise in the numbers and the quality of heat pump fitters will gain experience in new homes before having to tackle the more difficult retrofit market. It could also prompt a positive response from homeowners that could help educate wider homeowners of the carbon emitted from our homes and that heating sources, other than gas, are a successful way to heat homes.

Achieving these benefits is heavily dependent on a successful implementation. The supply to deliver this policy needs to be in place as early as possible to meet the implementation deadline of 2025. The Government's timetable to consult and achieve legislation will not create certainty until 2024. This is not long enough to put these supply chains in place. This is illustrated in an EY report commissioned by the INA [https://ina.org.uk/wp-content/uploads/2021/06/EY-Report-on-the-Future-Homes-Standard-June-2021\\_Final-1.pdf](https://ina.org.uk/wp-content/uploads/2021/06/EY-Report-on-the-Future-Homes-Standard-June-2021_Final-1.pdf)



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In terms of energy infrastructure there are some specific concerns. The policy dictates that heat pumps will be the only allowable form of heating for the second phase of the Future Homes Standard and that it will be implemented in 2025 on a house-by-house basis (rather than a whole development basis). The effect will be to increase the electrical requirement for each new home and prevent gas being available to that property for heat. Energy infrastructure is usually provided at the start of any housing development construction and in the case of larger development, it may already be laid. This could mean that the gas infrastructure built to serve a development is oversized and/or the electricity infrastructure is inadequate to meet the needs of the heat pumps. The Government's January 2021 consultation response did say they would consult again on any transitional approach, taking into account their experience of the house-by-house approach they have adopted on the interim measures. However, this further consultation on the exact nature of the requirements for the 2025 building fabric specification and the implementation of heat pumps will not start until Spring of 2023. Therefore, from an energy infrastructure perspective, clarity will not be achieved until late 2023 or early 2024. Housebuilders state this is a clear risk for them, given the need to contract to provide networks at the start of a development and the uncertainty would result in a slowdown in the pipeline of new homes.

One of the other main concerns for housebuilders is the availability of heat pump fitters. The attached report from the Social Market Foundation critiques the Government's Heat and Building Strategy and highlights the issues that still need to be addressed. <https://www.smf.co.uk/publications/hbs-analysis/> The age profile of gas boiler fitters and the willingness to retrain was also highlighted in a BEIS report. [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/990498/social-research-installers-off-gas-grid-heating.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/990498/social-research-installers-off-gas-grid-heating.pdf)

Communication with the public is also a vital part of the success of this policy. The recent BEIS Select Committee report into the decarbonisation of heat highlighted the knowledge gaps in the public both on the contributions of homes to emissions and the low understanding of heat pumps as opposed to gas heating.

<https://committees.parliament.uk/publications/8742/documents/88647/default/>

It proposed that there is a public awareness campaign. The INA fully supports this proposal. People are not compelled to buy new homes so a campaign that raises awareness and support for different forms of home heat are required.

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