

B&Q owner and Lloyds urge Hunt to hand out 'rebate to renovate'

Britain's biggest high street bank and the owner of DIY retailer B&Q are among a group of companies urging Jeremy Hunt to support the energy transition by overhauling the stamp duty regime for housebuyers.

Sky News has learnt that Lloyds Banking Group, Kingfisher and Santander and E.ON UK, the domestic energy supplier, have signed up to the Better Homes Alliance (BHA), a new group calling for incentives to drive greater energy efficiency.

In a letter to the chancellor this week, the BHA said its members' "shared objective is to empower households across the UK to improve the energy efficiency of their homes".

It called on Mr Hunt to consider introducing a 'Rebate to Renovate', which it described as "a stamp duty rebate applied to homes that improve their EPC rating through renovation within two years of a sale".

"We believe that a carrot, rather than a stick, approach is the only way to encourage homeowners to make the kind of improvements that will start addressing the fact that we have some of the least efficient and carbon intensive homes in Europe," the BHA letter said.

The newly formed group cited research showing that more than £10bn could be saved by homeowners if their properties were upgraded to make them more energy-efficient.



Image:

Lloyds is Britain's biggest mortgage lender

Britain's residential sector accounts for 17% of all carbon emissions in the UK, according to government figures, the letter added.

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“This [£10bn figure] is equivalent to an annual saving of £390 for the average household.

“Improving our stock can also add a substantial ‘price premium’ to homes, with Rightmove research showing an improved EPC rating of F to C can add as much as £56,000 to the value of a home above local price growth.

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“To address rising costs and energy security concerns impacting households across the UK, and our wider commitments to net zero, it is imperative for households to be incentivised to make improvements to their homes,” said the letter, a copy of which has been seen by Sky News.

The BHA said it would conduct analysis to show why the ‘Rebate to Renovate’ would be more effective than previous energy efficiency proposals.

One Whitehall insider said that officials at the Department for Energy Security and Net Zero had already held preliminary talks with Treasury counterparts about such a policy.

The BHA’s other inaugural members are Santander UK, Knauf, an insulation provider and the Energy Efficiency Infrastructure

Group.

The group's secretariat function is being provided by WPI Strategy, a public affairs firm.