



**Warm Healthy
Homes**



Department for
Communities

www.communities-ni.gov.uk

Warm Healthy Homes Fund

Consultation on an energy efficiency scheme to improve warmth, health and energy affordability of low-income households in the owner-occupier and private rented sectors.



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Warm Healthy Homes Fund – An energy efficiency scheme to improve warmth, health and energy affordability.

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Ministerial Foreword

In February, I launched the Warm Healthy Homes Strategy 2026–2036: A new fuel poverty strategy for Northern Ireland. In this I set out my vision for everyone in Northern Ireland to live in a warm, healthy home. The link between good quality, warm homes and improved health outcomes is well established, and reducing fuel poverty remains central to improving wellbeing, particularly for those on low incomes. This also aligns with the Programme for Government and other Executive strategies, including the development of the emerging Anti-Poverty Strategy.



The Affordable Warmth Scheme has been my Department's primary tool in tackling fuel poverty since its inception in 2014. The scheme has been very popular and successful and has installed more than 56,000 energy efficiency measures in over 31,000 low-income households.

However, in line with the new Strategy, it is time to review and deliver a more ambitious scheme: the new Warm Healthy Homes Fund. The Fund will act as my Department's principal long-term sustainable solution to fuel poverty. The Fund will aim to deliver £150 million of investment over its first five years and will learn from the lessons and experience gained from the Affordable Warmth Scheme and similar schemes across the devolved nations. To ensure homes are lifted out of fuel poverty, the Fund will be much more ambitious in terms of the investment required and the energy efficiency measures offered.

Following extensive engagement with stakeholders and analysis of the responses from the consultation for the Warm Healthy Homes Strategy last year, this consultation document outlines the proposals for the Fund to address fuel poverty and increase energy well-being by improving the energy efficiency of low-income households. I would encourage everyone to participate in the consultation and contribute your views to help inform the final scheme design of the Warm Healthy Homes Fund.

A handwritten signature in black ink, appearing to read 'Gordon Lyons'. The signature is fluid and cursive, written over a white background.

GORDON LYONS MLA
Minister for Communities

Executive Summary

Tackling fuel poverty in Northern Ireland will help protect people from the effects of living in a cold, damp home, and doing so sustainably will also make a positive contribution to Northern Ireland's carbon emissions reduction targets. The Department proposes to introduce a new model for the delivery of energy efficiency measures to low-income households which not only builds on the success of the current Affordable Warmth Scheme but also takes lessons learned from this outgoing scheme.

The new Warm Healthy Homes Fund aims to be more ambitious in terms of delivery, offering a simple, streamlined approach with registered contractors, ensuring ease of access and energy advice for low-income households. It is proposed that the Warm Healthy Homes Fund will continue with a 'whole-house' approach, ensuring that measures are installed in a priority order that benefits the property most. The Warm Healthy Homes Fund will take a fabric-first approach, address ventilation and draught proofing, offer heating solutions where needed (including low-carbon heat where appropriate), and renewable technologies.

Purpose

This document sets out a high-level overview of the Department's proposed model for the delivery of energy efficiency measures to low-income households. It seeks feedback on proposed elements of the Warm Healthy Homes Fund.

The proposals include:

- Eligibility qualification criteria including income thresholds and the use of certain benefits to determine entitlement to the Warm Healthy Homes Fund
- Impact of householder personal savings
- Increased grant limits
- Support offered to those living in the Private Rented Sector
- Quality Standards and Redress

This consultation will close on 19/08/2026 after a twelve-week public consultation, and all responses will be considered accordingly.

Privacy, Confidentiality and Access to Consultation Responses

For this consultation, we will publish all responses except for those where the respondent indicates that they are an individual acting in a private capacity (e.g. a member of the public). We will remove email addresses and telephone numbers from these responses, but apart from this, we will publish them in full. For more information about what we do with personal data please see our consultation privacy notice. The Department's privacy notice can be found at [DfC privacy notice | Department for Communities](#).

Your response, and all other responses to this consultation, may also be disclosed on request in accordance with the Freedom of Information Act 2000 (FOIA) and the Environmental Information Regulations 2004 (EIR). However, all disclosures will be in line with the requirements of the Data Protection Act 2018 (DPA) and the General Data Protection Regulation (GDPR) (UK) 2016/679. If you wish your response to be treated as confidential it would be helpful if you could explain to us why you regard the information you have provided as confidential, such that this may be considered if the Department should receive a request for the information under the FOIA or EIR.

Impact Assessments

Section 75

Section 75 of the Northern Ireland Act 1998 requires public authorities, in carrying out their functions relating to Northern Ireland, to have due regard to the need to promote equality between all Section 75 groups. Without prejudice to these obligations, the Department is also required, in carrying out its functions relating to Northern Ireland, to have due regard to the desirability of promoting good relations between persons of different religious belief, political opinion or racial group.

Initial screening has been carried out on this consultation to identify any equality impacts. No adverse impacts were found and therefore it has been

decided that this review should not be subject to an Equality Impact Assessment. Respondents are asked to comment on any potential equality implications arising from the issues/proposals discussed in this consultation. The decision not to carry out an Equality Impact Assessment will be reassessed following the analysis of the consultation responses.

Rural Needs Impact Assessment

The Rural Needs Act (NI) 2016 introduced a duty on Northern Ireland departments, district councils and other public authorities to have due regard to rural needs when developing, adopting, implementing or revising policies, strategies and plans and when designing and delivering public services. The Department, under a commitment to rural proof, is also required to identify the potential impact on rural areas and if appropriate, adjust to take account of rural circumstances. As part of the development of this consultation, issues in relation to the social and economic needs of people in rural areas have been identified and taken into consideration.

What is fuel poverty?

Fuel poverty is the inability to heat or power a home to an adequate degree at a reasonable cost. It is affected by household income, the cost of energy and how much energy is needed in the home. The most recent modelled fuel poverty estimate using the 2016¹

¹ www.nihe.gov.uk/getattachment/3c5adc00-3a7b-41b7-b172-ca9a801937788/Estimates-fuel-poverty-Northern-Ireland-2020-2021.pdf

baseline data as reported in the NI House Condition Survey estimated a fuel poverty figure of 24% in 2021. In Northern Ireland, fuel poor households are those needing to pay more than 10% of their full household income to maintain a satisfactory heating regime at an affordable cost. Households needing to spend 15–20% of their income on all fuel use are considered to be in severe fuel poverty, with those households needing to spend more than 20% of their income considered to be in extreme fuel poverty.

Background

The Department's current fuel poverty energy efficiency scheme, the Affordable Warmth Scheme, was introduced in September 2014. The policy intent of the Affordable Warmth Scheme was to target and assist low-income households (owner-occupiers and private renters) who were experiencing, or at risk of, fuel poverty through the installation of energy efficiency measures. The scheme undertook a 'targeted approach' to applications and was initially assessed and triaged by local councils who identified eligible households via a database of addresses that had been identified through research and mapping of households in fuel poverty by the University of Ulster.

It applied a whole-house approach, prioritising energy efficiency measures ranging from insulation to heating solutions and replacement windows. The goal of these measures was to raise the Standard Assessment Procedure (SAP) levels of fuel poor households

to reduce their energy consumption and energy bills, improve their thermal comfort and protect them from fuel price fluctuations. In doing so, the Affordable Warmth Scheme also contributed to the reduction in greenhouse gas emissions from Northern Ireland's domestic building stock; however, any reduction in carbon emissions was a by-product rather than an objective of the scheme.

In developing the Warm Healthy Homes Fund and delivery model, while we will build on the success of the Affordable Warmth Scheme, we will also take lessons learned into consideration, ensuring that the whole-house approach is adhered to. The Warm Healthy Homes Fund aims to have a simpler, more streamlined and accessible application process, with registered contractors available to the householder, leading to reduced lead-in and delivery times and clear prioritisation of measures, including making it mandatory for insulation and ventilation to be installed, or confirmation that sufficient insulation and ventilation are in place, before availing of any other measures in the Warm Healthy Homes Fund.

Strategic Context

The Department for Communities' Warm Healthy Homes Strategy 2026–2036: A new fuel poverty strategy for Northern Ireland has a vision of a warm, healthy home for everyone. The Strategy has three themes: make homes more energy efficient, protect consumers, particularly those in or at risk of fuel poverty, and building capacity through

collaboration. It lists four guiding principles of long-term, sustainable solutions, a needs-based approach, collaborative delivery and participative engagement which must be considered in the development of all energy efficiency schemes across government.

The strategy and its actions will ensure low-income households can avail of energy efficiency measures that help eliminate poverty, inequality and social deprivation, as well as reducing emissions. A key objective of the Warm Healthy Homes Strategy is to increase investment in domestic energy efficiency schemes for low-income households, with a strategic action to launch an ambitious, long-term Warm Healthy Homes Fund in 2027.

Stakeholder engagement

Considerable engagement with stakeholders has informed the development of the proposals for the Warm Healthy Homes Fund. As part of the development of the Warm Healthy Homes Strategy, from April – June 2024, a series of stakeholder engagement workshops and focus groups across Northern Ireland gathered opinions and real-life experiences to support the development of the Strategy and explore initial priorities for the new Warm Healthy Homes Fund. This stakeholder engagement informed the development of the fuel poverty consultation which ran for 12 weeks and closed 6 March 2025.

The consultation asked questions on elements of the Warm Healthy Homes

Fund scheme design including reviewing the income thresholds and eligibility criteria, the use of Energy Performance Certificate (EPC) rating of a house, the approach and measures to be included within the Warm Healthy Homes Fund and whether the Warm Healthy Homes Fund should prioritise low-carbon heating solutions where possible. Questions were also asked on quality standards, consumer protection and redress and whether the Fund should offer renewable technologies such as solar photovoltaic (PV) systems and electrical energy (battery) storage to offset the running costs of low-carbon heating solutions. Responses helped inform the proposals in this consultation.

From September 2024 – December 2025 several industry-based workshops were held to inform scheme design, including the energy efficiency measures to be considered in the new scheme along with best practices, quality standards and consumer protection.

A number of engagement workshops were also hosted from April 2025 – October 2025 by the Department for Communities (DfC) and involved stakeholders including the Northern Ireland Housing Executive (NIHE) who deliver the current Affordable Warmth Scheme and colleagues from across government. The purpose of these workshops was to develop the new Warm Healthy Homes Fund draft scheme design through shared learning from the NIHE low carbon heating and other pilots, to establish processes and best work practices and to set out governance and monitoring

arrangements. It is anticipated that the workshops will continue throughout the development process.

When developing the new Warm Healthy Homes Fund, the Department has also considered the views and responses that were gathered by colleagues in the Department for Economy (DfE) in their low carbon heating consultation which ran from 8 October 2024 – 10 January 2025. The responses gathered during these consultations have also informed the design of the scheme.

The Warm Healthy Homes Strategy, with a strategic action to launch an ambitious, long-term Warm Healthy Homes Fund in 2027, was launched on 5 February 2026.

The full Warm Healthy Homes Strategy (consulted on as the Fuel Poverty Strategy) consultation summary of responses can be found at [Fuel Poverty Strategy consultation summary of responses | Department for Communities](#)

The Low Carbon Heating in Residential Buildings consultation can be found at [Support for Low Carbon Heat in the Residential Sector - Summary and Government Response](#).

Fund Ambition and Intent

Our long-term ambition is to improve the energy efficiency of Northern Ireland's housing stock, thereby helping

to keep homes comfortably warm at an affordable cost while also enhancing energy security by reducing dependence on fossil fuels and lowering carbon emissions. A high-level overview of the Warm Healthy Homes Fund is detailed below. It will be further shaped by the views and comments gathered during this consultation.

The policy intent of the Warm Healthy Homes Fund is to provide targeted support for low-income households in the private sector who are experiencing, or at risk of, fuel poverty. By improving home energy efficiency, the Fund will help to lower energy bills² while also reducing carbon emissions.

The Warm Healthy Homes Fund is not intended as an emergency intervention and is **not designed to repair or replace broken boilers**; instead, it will offer a range of retrofit options up to and including whole-house retrofits, subject to eligibility criteria, to improve energy efficiency. The Warm Healthy Homes Strategy identifies repairs to broken boilers as an action for Discretionary Support.

We have been working closely with colleagues across government to reduce barriers and streamline support, including colleagues in DfE, to ensure alignment between the Department's Warm Healthy Homes Fund and their proposed Domestic Heating and Energy Efficiency Programme, to ensure that there are no gaps in eligibility criteria and that the same level of service is available

² It should be noted that the Department for Communities does not have any controls over energy prices, however by improving the energy efficiency of homes through the installation of energy efficiency measures, it will make energy bills lower than they otherwise would be for that property.

to both those who can and those who cannot afford to pay for the energy efficiency upgrades themselves.

We will work with the Warm Healthy Homes Fund delivery partner and partners in the Voluntary and Community sector to ensure that low-income households are identified and receive the support that they require, recognising that with the introduction of new technologies, some households may need greater advice and support.

Objectives for the Warm Healthy Homes Fund

- Improve energy efficiency by installing energy efficiency measures to enhance the energy well-being of occupants and reduce energy costs in fuel poor households living in the private sector.
- Enhance energy security for low-income households by reducing dependence on fossil fuels and lowering carbon emissions.
- Support a 'just transition' by supporting low-income households through the installation of energy efficiency measures to reduce carbon emissions in the residential sector.

High-level overview of the Warm Healthy Homes Fund

Based on the responses from the Fuel Poverty consultation, the Department acknowledges that the income threshold for the Warm Healthy Homes Fund needs to be higher than that set for the Affordable Warmth Scheme. Flexibility also needs to be built into the criteria so that the threshold can rise annually and reflect the cost of living. The Warm Healthy Homes Fund will make it easier for householders to access support by creating a more streamlined and accessible application process and by managing delivery of the scheme through registered contractors, helping to ensure quicker and more straightforward installations.

An assessment of the home will identify what measures the home will benefit from, using the whole-house approach and focusing on improving the fabric of the house first. Measures must be taken in priority order, with insulation, ventilation and draught proofing addressed before any other measures can be installed. Solar photovoltaic (PV) systems and electrical energy (battery) storage and low carbon heating solutions, subject to the home technical assessment, will also be offered.

All energy efficiency measures delivered under the Warm Healthy Homes Fund will meet high standards of quality and safety. However, the customer journey will not end at installations and there will be robust systems for consumer protection, aftercare

and redress. Monitoring and reporting on aspects of the scheme such as customer satisfaction, number of households assisted, increases in EPC, quality issues and social return on investment will be reported annually through the Warm Healthy Homes Strategy annual statement.

A delivery partner for the Warm Healthy Homes Fund will be appointed and will be referred to as the Managing Agent.

Warm Healthy Homes Fund Detail and Proposals

Who to support

The Warm Healthy Homes Fund will assist those low-income households who are experiencing or are at risk of fuel poverty. It will be available to owner-occupied households and provide some assistance to those in the Private Rented Sector. It is not available for NIHE, social housing or housing association tenants.

The property must not be:*

- A holiday/second home
- Bed and breakfast/short-term let
- Commercial establishment

*Full detail of all excluded property types will be contained in the policy guidance.

Eligibility

Consultation feedback

Most respondents to the Fuel Poverty Strategy consultation agreed that the Department should take a more flexible approach that considers current data when setting and reviewing income thresholds and eligibility criteria.

Many commented that the current Affordable Warmth Scheme relied on outdated data which set the income threshold of £23,000, and was considered too low, with many people just above this threshold impacted by fuel poverty. Respondents stated that the income threshold should be realistic within the context of a continuing cost of living crisis.

Respondents stated that it was an essential requirement to have a mechanism to regularly update income thresholds to keep pace with the rising cost of living and safeguard those most at risk of fuel poverty, with many stating that people (in need) cannot wait months for legislative changes to be made. Suggestions included keeping the income threshold level in line with minimum wage levels, CPI rate of inflation or another similar index. It was felt that review periods should be built in with funding matched to manage rising demand.

There was some support for the use of income-related benefits to determine eligibility for the scheme, but many felt that those on the periphery and not on benefits (like low-income working households) should also be able

to access support. The consensus was that entitlement to any scheme for low-income households should primarily be means-tested to include those who fall just outside benefit entitlement. However, discussion on what should be excluded from the income calculation included disability benefits, housing and childcare costs with some respondents calling for the use of disposable income.

Income Data

The National Living Wage (NLW) is the mandatory minimum rate set by government for those aged 21 and over. The current calculation for the NLW is the NLW rate of £12.71 per hour multiplied by 45 hours and multiplied by 52 weeks to give the annual income threshold of £29,741. Discretionary Support use this metric as their income threshold, and it rises annually each April. Use of the annual NLW as an income threshold would ensure that the Warm Healthy Homes Fund is supporting those households on the lowest incomes.

Based on data from Northern Ireland Statistics and Research Agency (NISRA) Employee Earnings in Northern Ireland³, median gross annual earnings for full time employees in 2025 was £37,100, with 3.4% in low-paid jobs, 79.3% in middle paid jobs and 17.3% in the highest paid jobs in NI.

According to the 2023/24 Family Resources Survey, 265,000 households in Northern Ireland (35% of total households – 755,000) have an annual

income of less than £30,000. Of these 265,000 households, 18% (48,000) have zero benefit income. These 48,000 households are 6% of all households in NI.

Using the Universal Full Credit System (UCFS), in August 2025 there were 200,890 households on Universal Credit (UC) in Northern Ireland, of those 187,980 were in payment. 87,870 UC claimants at that time were also in receipt of Personal Independence Payment (PIP). 24,520 of UC households own their property and 46,570 rent from a private landlord.

During the same period there were 60,250 claimants to Pension Credit (PC).

This demonstrates the large numbers eligible for the Warm Healthy Homes Fund and the need to prioritise eligible applications.

Savings

Throughout the engagement process, the subject of savings was raised by participants, with many stating that savings should be included in the calculation of income. Some stakeholders did express the view that some savings should be considered an 'essential expense' as people needed something to fall back on if problems arise, and therefore it would be fair to set a savings threshold, perhaps with a sliding scale approach within the scheme eligibility criteria that would allow for this. Some respondents stated that there should be a clear definition of savings e.g. savings over a certain threshold, having a second property etc.

³ <https://www.nisra.gov.uk/statistics/work-pay-and-benefits/annual-survey-hours-and-earnings>

Whilst the current Affordable Warmth Scheme does not take into consideration any savings a household may have when determining if they are eligible for support, it has been identified as a lesson learned from the outgoing scheme, whereby some applicants to the scheme satisfied the eligibility criteria despite having substantial personal savings. It would also align with the policy intent of the Warm Healthy Homes Fund to assist those low-income households most in need.

The Department has considered consultation responses and other departmental grants, such as the Disabled Facilities Grant (DFG), and has made the following proposal:

If the applicant to the Fund is under 60 years of age, they may have a combined household personal savings of £6,000. For every £250 over the savings threshold, £1 per week for each complete £250 will be added to the calculation of their income.

Example: Mr Smith applies to the Warm Healthy Homes Fund. He is 55 years old, with a household net income of £23,000 and personal savings of £50,000. Under Warm Healthy Homes Fund rules, the first £6,000 of savings is disregarded, leaving £44,000 to be assessed. For every £250 of savings above £6,000, £1 per week is treated as income. This adds £9,152 to Mr Smith's assessed annual net income, bringing his total to £32,152. As a result, Mr Smith is not eligible for the Fund.

If the applicant to the Fund is 60 years of age or over, they may have a combined household personal savings of £6,000. For every £500 over the savings threshold, £1 per week for each complete £500 will be added to the calculation of their income.

Example: Mrs Brown applies to the Warm Healthy Homes Fund. She is 70 years old, with a household net income of £23,000 and personal savings of £50,000. Under Warm Healthy Homes Fund rules, the first £6,000 of savings is disregarded, leaving £44,000 to be assessed. For every £500 of savings above £6,000, £1 per week is treated as income. This adds £4,576 to Mrs Brown's assessed annual net income, bringing her total to £27,576. As a result, Mrs Brown is eligible for the Fund.

Excluded from the calculation of income – 'disregards'

Throughout the stakeholder engagement and in the Fuel Poverty Consultation it was raised that those with health conditions and disabilities may be particularly at risk of experiencing fuel poverty as they often have higher energy bills because of their health needs. It was also highlighted that those with more serious health conditions and disabilities may receive benefits, payments and allowances to help them with higher cost of living expenses associated with having a health condition or disability. Stakeholders suggested that perhaps those benefits,

payments and allowances should not be counted as income when determining eligibility. Other government schemes and grants also take these benefits and allowances into account by 'disregarding' them from an applicant's income (details of proposed disregards for Warm Healthy Homes Fund are set out below).

Eligibility Proposals

In line with key principles of sustainability, a needs-based approach and participative engagement, key priorities of the Warm Healthy Homes Fund are a whole-house approach, installing energy efficiency measures in low-income, fuel poor households with ease of application. This needs to be balanced with limited funding and ensuring we target those households most in need.

The Department is proposing that the eligibility criteria will include both income-related benefits and an income threshold. Eligibility will be limited to households below an income threshold of the National Living Wage rate per hour multiplied by 45 hours and multiplied by 52 weeks (currently set at £29,741), net of tax and national insurance along with a number of disregards', if applicable.

The disregards include several related to health, disability benefits and caring responsibilities (and are listed below). Households who are in receipt of the Personal Allowance element of Universal Credit for three consecutive payment periods and householders in receipt of Pension Credit would also be eligible.

We will ignore benefits paid to an individual to assist them with additional living costs associated with health and disability. We will also discount Carers Allowance payments. This will increase eligibility for those who are on disability and health related benefits or have caring responsibilities. Households with these benefits may have increased heating needs and therefore may be more likely to be in fuel poverty.

We will also count household personal savings over £6k as income, using the calculation mentioned previously.

The Winter Fuel Payment would also be excluded from the calculation of income as this payment is available to help households with someone over State Pension age cover rising heating and energy costs during the winter months, ensuring that they can afford to heat their homes and reduce health risks associated with the cold.

When assessing the income threshold, it is proposed that the Managing Agent will exclude **only** the following from the calculation of income:

- Armed Forces Independence Payments
- Attendance Allowance
- Carer's Allowance
- Compensation payments
- Direct payments for Supported Living
- Disability Living Allowance in respect of any members of the household
- Independent Living Fund

- Personal Independence Payment
- The Troubles Payment (evidence required that it is paid under 'The Victims' Payments Regulations 2020)
- War Pension Scheme (Injuries before 06/04/05)
- Armed Forces Compensation Scheme (Injuries on or after 06/04/05)
- Supplementary Allowances to the War Pension Scheme
 - Allowance for a Lowered Standard of Occupation (ALSO)
 - Clothing Allowance
 - Constant Attendance Allowance (CAA)
 - Unemployability Supplement (UNSUPP)
 - War Pensioners Mobility Supplement (WPMS)
 - Treatment Allowance and Part Time Treatment Allowance
 - Exceptionally Severe Disablement Allowance (ESDA)
 - Severe Disablement Occupational Allowance (SDOA)
 - Invalidity Allowance
 - Age Allowance
 - Comforts Allowance
- Winter Fuel Payments

Under this option the number of eligible applicants would significantly increase which will increase the administration of the Warm Healthy Homes Fund and prioritisation of applications will also be required.

Question 1

Given the limitations of funding, the Department proposes that households in receipt of the Personal Allowance of Universal Credit (for three consecutive periods) and those in receipt of Pension Credit are eligible for assistance. In addition, income under a set threshold will also be used as an eligibility criterion.

It proposes that the total household income threshold of the new Warm Healthy Homes Fund should be set at the rate of the National Living Wage which is currently £29,741.40, net of tax and national insurance, and that it should rise annually in line with the National Living Wage.

Under this proposal, the Department proposes to exclude disability and health related benefits and allowances and the winter fuel payment from the calculation of household income, as detailed above. Savings over £6k would be included in the calculation of income.

Do you agree with this proposal?

Yes or No

**Please give reasons for your answer
limited to 500 words**

Question 2

In relation to the income threshold above, the Department proposes that if the applicant to the Warm Healthy Homes Fund is under 60 years of age, they may have a combined household personal savings of £6,000. For every £250 over the savings threshold, £1 per week for each complete £250 will be added to the calculation of your income.

If the applicant to the Warm Healthy Homes Fund is 60 years of age or over, they may have a combined personal household savings of £6,000. For every £500 over the savings threshold, £1 per week for each complete £500 will be added to the calculation of your income.

Do you agree with this proposal?

Yes or No

**Please give reasons for your answer
limited to 500 words**

Prioritisation

In recognition of the large number of households potentially eligible for the scheme and the limited budget, the Department proposes prioritising applications after eligibility has been established.

Some stakeholders supported the use of a matrix once eligibility has been established, with a points system awarding points to those with certain health conditions, based on their age and the age of property they lived in. This would prioritise based on receipt of disability benefits, those with certain health conditions that are exacerbated by cold and damp living conditions or prioritise using age-related vulnerabilities, that is households with occupants over 65 years or with children under 5 years of age.

Others suggested that those living in a property without certain, or with defective, energy efficiency measures or a heating system could be awarded more points. Other suggestions put forward through stakeholder engagement were that the Warm Healthy Homes Fund should operate using a 'first come, first served' application process, as it is already targeted at those on the lowest incomes.

However, to ensure funding is targeted at those most in need, we are proposing to prioritise those properties that are EPC rated E or below. This is because individuals residing in the least energy-efficient homes are more likely to experience severe fuel poverty.

To facilitate this, home assessments will be required on all properties to determine the EPC rating. Home assessments will be carried out on a first come, first served basis. This may mean that we are assessing properties that, while eligible for the scheme, due to application numbers, budget restrictions and condition of the property (rated D or above), may not receive assistance as we prioritise the least efficient properties. Carrying out a home assessment for all properties, some of which will not receive support, may not represent value for money.

Question 3

Do you agree that the Department should prioritise Warm Healthy Homes Fund applications based on the energy rating of the property?

Yes or No.

Please give reasons for your answer limited to 500 words

Do you think that the Department should prioritise Warm Healthy Homes Fund applications based on another reason?

If so, please give reasons for your choice limited to 500 words.

How to apply

For ease of accessibility and application it is intended that applicants may apply to the Warm Healthy Homes Fund via the following means:

- By telephone/email
- Online applications

It is intended that all scheme materials will adhere to accessibility standards and will be straightforward for applicants to use. This will include providing information in large print and other formats.

While the scheme is expected to adopt a 'digital-first' approach, it is recognised that applications must also be available through non-digital channels, including by telephone or in writing, with additional support such as translation services and sign-language assistance where required.

The Managing Agent will also work with partners in the community to support applicants who may need additional support to apply to the Fund.

Supporting Documentation

As set out in the Warm Healthy Homes Strategy, the Warm Healthy Homes Fund will share data using available government systems where possible to check:

- Ownership or private tenancy of the property
- That you occupy the property as your main residence
- Your income (wage slips, benefit award letters, bank statements)
- If you are a private tenant, you need to have your landlord's consent for work to be carried out on the property and your landlord must be registered on the Landlord Registration Scheme.

However, there may be circumstances where the applicant must provide supporting documentation to evidence these details.

What are we delivering: Measures

As agreed from the Fuel Poverty Strategy consultation, the new Warm Healthy Homes Fund will continue with a whole-house approach, ensuring the fabric of the property is of sufficient standard before the householder can avail of any heating solutions or renewable technologies. The measures available are listed below in priority order, starting with the measure which will most improve the energy efficiency of the property. No customer contribution will be allowed.

The Home Assessment will determine what measures the property will require in line with the rules of the scheme.

Fabric Measures

- Loft insulation
- Cavity wall insulation (policy is to extract fibreglass insulation where present)
- Draught proofing and ventilation
- Solid Wall Insulation (Will be available for those 'hard-to-treat' detached properties that are deemed suitable and where it is technically feasible.) (A maximum square footage of the property may be specified)
- Replacement windows (single-glazed windows will be replaced with double-glazed windows. Replacement of existing double-glazed windows will be offered only when these are beyond repair and only windows that need replacement will be replaced)

The installation of loft and cavity wall insulation, draught proofing, and ventilation will be mandatory for all properties, except where existing insulation and ventilation are assessed and found to meet acceptable standards as determined by a Home Assessment.

Heating & Renewable Measures*

A heating system will be offered only where there is no heating system in place, or the existing heating system needs to be replaced as it is found by the assessment to be inefficient and beyond economic repair.

- An Air Source Heat Pump (ASHP) (will be the primary heating measure offered to households, and where the Home Assessment has determined that it is technically feasible and economically viable to install one).
- If the Home Assessment determines that it is not technically feasible to install an ASHP, an alternative heating system will be recommended to the householder based on technical feasibility and policy guidance.
- New radiators, thermostatic valves and heating controls will be offered to households, where needed, subject to the Home Assessment.
- Solar photovoltaic (PV) systems and electrical energy (battery) storage will be offered to households, subject to the Home Assessment.

***As technology progresses, we will keep the list of measures under review.**

Private Rented Sector

Historically uptake from the Private Rented Sector has been low. Under the current Affordable Warmth Scheme, tenants who privately rent from a landlord and who satisfy the eligibility criteria may apply to the scheme

with agreement from their landlord that they will pay half the cost of the energy upgrades. This requirement has made the Affordable Warmth Scheme unattractive to landlords, yet fuel poverty is highest in the private rented sector with the average SAP rating of 65.33 (or equivalent to EPC rating D) as per the latest House Conditions Survey 2016. To help address this issue and improve the poorest performing properties in the private rented sector, the Department has considered ways in which support may be offered to the sector, considering the intention to introduce minimum energy efficiency standards for rental properties.

Question 4

The Department proposes that Private Rented Sector landlords may access fully funded cavity and loft insulation, draught proofing, and ventilation, provided their tenant meets Warm Healthy Homes Fund eligibility criteria.

Do you agree with this proposal?

Yes or No

Should additional measures be included such as replacement windows, solar photovoltaic (PV) systems and electrical energy (battery) storage?

Do you agree with this addition?

Yes or No

If your answer is no to either of these questions, please give reasons for your answer limited to 500 words.

Grant limits

The new Warm Healthy Homes Fund aims to be more ambitious than its predecessor in terms of improving the energy efficiency of those in the lowest-performing homes. The Warm Healthy Homes Fund will offer a range of energy efficiency measures, including heating systems (including low-carbon heat solutions) and renewable technologies. It will follow a whole-house, fabric-first approach. The increased number of measures and new technologies means that the grant limit for the Warm Healthy Homes Fund will be significantly higher than the current grant limit in the Affordable Warmth Scheme. The grant limit will be calculated on the average installation cost for all measures and will be set at a level to ensure all homes receive the measures they are entitled to, while maintaining high quality standards. It is also important to ensure value for money and that we support as many homes as possible. The current grant limit proposed for the Warm Healthy Homes Fund is £35,000 and will be kept under review for the lifetime of the Fund to reflect inflation and the cost of materials.

In some 'hard-to-treat' homes, additional measures such as solid wall insulation or removal of asbestos may be required. It is proposed to increase the grant limit for these properties to reflect the additional costs. The proposed grant limit for those 'hard-to-treat' properties is £45,000 and will also be kept under review for the lifetime of the Fund. The Department proposes that an applicant may apply only once to the Warm Healthy Homes

Fund and that the Home Assessment will determine what the property needs.

We have learned from the outgoing Affordable Warmth Scheme that occasionally additional support may be required by some applicants whose properties require some general maintenance or remedial works before energy efficiency measures can be installed. These applicants may be unable to pay for or complete remedial work themselves and historically would have been exempt from benefitting from the Affordable Warmth Scheme. It is therefore suggested that a maintenance grant of £500 should be built into the grant limit to support such households to reduce barriers that prevent access to the scheme.

Question 5

The Department proposes setting a grant limit of £35,000 for the Warm Healthy Homes Fund that will allow for a fabric first, whole house approach including Air Source Heat Pump, solar photovoltaic (PV) systems and electrical energy (battery) storage. This will be increased to £45,000 to support those 'hard-to-treat' properties. Up to £500 will be included within the grant limit for properties that require some general maintenance or remedial works before energy efficiency measures can be installed.

It is anticipated that not all properties will require the full grant limit.

Do you agree with this proposal?

Yes or No

If your answer is no, please give reasons for your answer limited to 500 words

Question 6

The Department proposes that an applicant may apply only once to the Warm Healthy Homes Fund and that the Home Assessment will determine what support that property would benefit from.

**Do you agree with this proposal?
Yes or No**

If your answer is no, please give reasons for your answer limited to 500 words.

Quality Standards

Stakeholder feedback placed emphasis on the importance of robust quality assurance, independent inspections, and a clear redress pathway for consumers. Therefore, the Department will ensure that there will be robust systems for consumer protection, aftercare and redress which will be crucial to the success of the Warm Healthy Homes Fund and the promotion of retrofitting. To ensure that all energy efficiency measures delivered under the Warm Healthy Homes Fund meet high standards of quality, safety and consumer protection, the Department proposes to align with the accreditation and standards in other government energy efficiency schemes and move to adopt the principles of PAS 2030 and PAS 2035 frameworks during the lifetime of the Warm Healthy Homes Fund. These standards are widely used across government funded retrofit programmes and set out a comprehensive approach to assessment, design, installation and post installation evaluation of energy efficiency improvements.

They aim to deliver more consistent quality of work, improved building performance, and better long term outcomes for households.

It is proposed that, as a baseline, quality standards and installer accreditation for the Warm Healthy Homes Fund will be set at the relevant trade body accreditation for each specific measure. However, it is anticipated that standards for the Warm Healthy Homes Fund will align with the DfE's proposed Domestic Energy Efficiency and Heat Programme when it is launched. This may require installers to upskill to that standard if they do not already hold it. The Department will ensure that any change to the level of qualification or accreditation for the Warm Healthy Homes Fund will be communicated widely, giving contractors lead-in time to upskill if they need to.

Home Assessment

Once eligibility has been completed for the householder, the Managing Agent will arrange for a technical Home Assessment to be carried out on the property to determine what works are necessary. All recommended measures identified by the assessment should be taken in priority order.

The Home Assessment:

- Needs to be in-depth (based on BS40104:2025 or similar standards) and ensure consistency, accuracy, reliability and allow effective retrofit planning.
- The Assessor must be trained to or hold a suitable skills level and qualification to undertake assessment

- Must cover the requirements of assessing location, building fabric condition including insulation, ventilation, windows, heating systems including low carbon heating and solar photovoltaic systems and electrical energy (battery) storage. Occupancy and Energy Performance will also be considered.
- The assessment needs to confirm that the recommended measures are suitable for the property e.g. pipework diameters are of correct size etc.
- A borescope is mandatory unless a certificate is held to show that insulation has been replaced.
- Per best practice, the Assessor will advise the householder on the recommended measures and outline any financial and carbon savings that can be made by installation of measures to ensure the householder can make an informed choice and understands the benefits of installation.

Energy Performance

An Energy Performance Certificate (EPC) or equivalent **energy performance assessment** will be carried out on each property pre- and post-Warm Healthy Homes Fund works. This will help to build a passport for the building and can be used going forward as a record of work completed in future iterations of the Warm Healthy Homes Fund.

Registered Contractors

Once the Home Assessment and pre-EPC assessment have been completed, the work identified by the Home Assessment must be completed by a **registered contractor**.

During stakeholder engagement on the Warm Healthy Homes Strategy, there was strong agreement on the importance of using trusted contractors who operate to recognised quality standards. Stakeholders supported the scheme being delivered through a list of accredited contractors to ensure consistent standards, provide reassurance, and protect vulnerable customers. In particular, stakeholders noted that registered and accredited contractors would help ensure the safe installation, performance, and long-term quality of low-carbon heating systems and renewable technologies.

The need for clear accountability and a straightforward redress process was also emphasised, ensuring that any issues can be addressed quickly and transparently. Maintaining a list of registered contractors and sharing with successful applicants was viewed positively, as it would reduce the burden on households to identify and vet installers themselves, while enabling quicker and more consistent delivery.

This approach would also support improved coordination of pre- and post-installation checks, strengthen quality assurance, and help maintain high standards throughout the customer journey.

Question 7

It is proposed that a list of registered contractors would be provided to households to deliver the works identified by the Home Assessment, ensuring ease of access and a streamlined service for applicants.

Do you agree with this proposal?

Yes or No

Please give reasons for your answer limited to 500 words.

Accreditation

Initially, to work on the Warm Healthy Homes Fund, a contractor **must** be VAT-registered, be registered with the Managing Agent to work on the Warm Healthy Homes Fund, and be accredited to a relevant trade body, including:

- Gas Safe (must be gas safe registered to install gas appliances)
- NICEIC (Electrical work)
- British Board of Agrément (BBA) (Loft, cavity wall, solid wall)
- Solid Wall Insulation Guarantee Agency (SWIGA) (Solid wall)
- National Insulation Association (NIA) (Loft, cavity wall)
- Cavity Insulation Guarantee Agency (CIGA) (cavity wall)
- Microgeneration Certification Scheme (MCS) (small-scale renewable energy systems)
- Installation Assurance Authority – (single compliance platform)

Contractors must demonstrate technical capability of delivering energy efficiency, fuel poverty or renewable energy related projects or have previous experience of overseeing contractors to carry out such work.

Contractors and sub-contractors must have undertaken training in working with vulnerable customers/be Access NI checked.

Post Installation Quality Checks

A Building Control Certificate will be required upon completion. An independent assessment of the works carried out initially on every property for each contractor. The person completing the independent assessment must, as a minimum, hold the same qualifications as the installer. As the scheme matures the checks will be reduced for individual contractors providing no issues have been identified.

We are seeking views on the proposed accreditation requirements for registered contractors, and whether stakeholders agree that this approach will support the delivery of high-quality, compliant and reliable energy-efficiency upgrades across the Warm Healthy Homes Fund.

Question 8

It is proposed that initially registered Warm Healthy Homes Fund contractors will need to hold the following relevant accreditations and quality standards for the measures that they install:

- Gas Safe (must be gas safe registered to install gas appliances)
- NICEIC (Electrical work)
- British Board of Agrément (BBA) (Loft, cavity wall, solid wall)
- Solid Wall Insulation Guarantee Agency (SWIGA) (Solid wall)
- National Insulation Association (NIA) (Loft, cavity wall)
- Cavity Insulation Guarantee Agency (CIGA) (cavity wall)
- Microgeneration Certification Scheme (MCS) (small-scale renewable energy systems)
- Installation Assurance Authority – (single compliance platform)

As the Warm Healthy Homes Fund matures it is proposed that it will align with the accreditations and standards being used in other government schemes This may mean transitioning to PAS 2030 or PAS 2035 standards or similar.

Do you think that industry is ready to adopt or move to the principles of PAS 2030/2035?

Yes or No

Please give reasons for your answer limited to 500 words.

Question 9

Are there any other alternative standards or accreditations that may be applied to contractors working on all government energy-efficiency schemes?

Yes or No

Please provide detail limited to 500 words.

Aftercare and redress

The Warm Healthy Homes Fund will be aimed at low-income households in or at risk of fuel poverty, however sometimes those households may have vulnerabilities and may require additional support to help understand the renewable technologies being offered along with navigating any issues that may arise following installation of those technologies. In line with the principles of the Warm Healthy Homes Strategy, we need to provide flexible, holistic and proportionate support to those that need it. It is intended that the Warm Healthy Homes Fund Managing Agent will provide energy support and advice on measures offered through the fund.

We also need to recognise and remove barriers, therefore if there are issues or a need for complaint arises following the installation of energy efficiency measures through the Warm Healthy Homes Fund it is anticipated that the householder will in the first instance contact the Managing Agent, who will in turn pass the details to the installer who carried out the works. If a suitable solution is not found, the householder should then contact the Managing Agent again (if the installer has not done so) who will then act as an intermediary between the householder and the relevant accreditation body to address the issue.

Question 10

It is proposed that initial aftercare advice will be available to all applicants. This will be a routine follow up between 6 and 12 weeks after installation to ensure that equipment is being used correctly and effectively. It is anticipated that the Managing Agent will instigate the aftercare by telephone to establish if a follow up visit is required. Should a visit be needed then the contractor who completed the works should visit the property to address any concerns or issues.

The Department will ensure that there is a clear pathway for redress should any issues occur, this will also align with the consumer protection and redress pathways offered by other energy efficiency schemes across government.

Do you think that the proposed aftercare arrangements are sufficient?

Yes or No.

If you answered no, please provide additional detail (limit of 500 words) on any additional aftercare that the Managing Agent of the Warm Healthy Homes Fund should provide.

Monitoring and reporting

As part of the Fund, we are developing robust monitoring and reporting processes. In doing so, we will be adhering to the principles of the Warm Healthy Homes Strategy by gathering better data that can be shared and accessed by relevant stakeholders. This will increase accountability, efficiency and transparency and ensure that we can measure both the monetary and social benefits of our investment as well as reporting on statutory carbon emissions reduction targets. It is intended that the Fund will:

- Report the number of households assisted and measures installed
- Report the increase in EPC (or equivalent) rating and carbon emissions saved
- Report on a customer satisfaction survey, which will include questions such as 'is your home warmer?', 'have your household energy bills reduced?', 'has your health improved post installation of measures?' to help build and learn from lived experience.
- Contribute to the Warm Healthy Homes Strategy 'basket of indicators' and Ministers Annual Statement
- Report on a social return on investment – the short-, medium- and long-term impacts, such as direct investment for Government for every £1 invested, Social Value for every £1 invested.

This data, when available, will be reported annually through the Warm Healthy Homes Strategy annual report. It will be used to ensure we are targeting those most in need, identify issues and inform improvements to the Fund.

Next Steps

How to respond

This consultation will be hosted online at the following website:

<https://consultations.nidirect.gov.uk/dfc/consultation-on-warm-healthy-homes-fund>

The Citizen Space website has been specifically designed to be as user-friendly and welcoming as possible for those who wish to complete the consultation. It also allows DfC to rapidly collate results. For this reason, we would encourage anyone who is interested in responding to this consultation to utilise Citizen Space as the method of their response.

If this is not possible, you can however respond to this consultation by returning the consultation questionnaire via email to HEB@communities-ni.gov.uk or by returning the questionnaire to the following address:

Home Energy Branch
Department for Communities
4th Floor, Causeway Exchange
1-7 Bedford Street
Belfast
BT2 7EG

When responding via email or by post, please state whether you are responding as an individual, or representing the views of an organisation (please state the name of the organisation). Please quote the following reference in your response: "Warm Healthy Homes Fund Consultation".

Responses must be received by 23:59 on 19 August 2026.

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