National Grid targets fuel poverty with £150m fund to warm homes

Over 9,000 homes will benefit from the first payments from National Grid's £150m Warm Homes Fund

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• 9,000 homes set to benefit from first round of payments from new Warm Homes Fund
• £150m fund established by National Grid following sale of stake in gas distribution business
• Money will tackle fuel poverty in hardest hit rural and urban communities across the country

National Grid has today announced that over 9,000 homes ranging from island cottages on Orkney to terraced houses in London are set to benefit from the first payments from its new £150m Warm Homes Fund.

The fund was set up using part of the proceeds from the sale of the company’s majority stake in its gas distribution business. It will fund the installation of affordable heating solutions in fuel poor households which don’t use mains gas as their primary source of heat.

The £150m from National Grid comes on top of the £589m already being returned to consumers on a voluntary basis by the company, bringing the total announced this year to £739m.

Following the first round of bidding, a total of £33m is now being awarded to 35 local authorities and social landlords representing partnerships across England, Scotland and Wales.

The money will be used to provide new heating systems for homes and will also fund programmes to help people with health conditions living in fuel poor households.

The awards include £5m to Stroud District Council, £3.5m to Cornwall Council, £2.8m to the councils of Suffolk and £1.5m to Orkney Islands Council. Others will help authorities targeting inner city fuel poverty. Greater Manchester Combined Authority will receive £1.8m and Islington, representing a consortium of boroughs will receive £1.5m. (List of successful bidders below).

John Pettigrew, Chief Executive of National Grid said: “The aim of our new fund is threefold; to help to reduce bills, make fuel poor households warmer, and improve the health of people suffering the most severe levels of fuel poverty.

“Around 4.5 million households across the country are in fuel poverty with people not able to heat their homes enough to stay warm and healthy. Many are struggling on low incomes and are relying on heating systems that are expensive to run or don’t heat their homes properly. In many cases, because of their circumstances or the type of property they live in, they can’t apply for existing grant schemes.”
“National Grid has decided to make this significant voluntary contribution of £150m to establish the Warm Homes Fund in recognition of the challenges that people face living in cold, damp and energy inefficient homes.”

The fund is managed by Affordable Warmth Solutions, a Community Interest Company (CIC) which was established by National Grid in 2008 to fight the misery of fuel poverty.

The Warm Homes Fund was launched in late spring 2017 and provides financial support for the installation of affordable heating solutions in many thousands of fuel poor households which don’t use mains gas as their primary source of energy.

One of the objectives of the fund is to maximise commercial opportunities from partner organisations to bring in additional funding. More than £30m has already been committed by partner organisations.

Jeremy Nesbitt, Managing Director of Affordable Warmth Solutions said: “We are excited about this investment from National Grid and we’re indebted for the support of our communications partner, National Energy Action (NEA) in reaching our target audiences.”

“Solving the issues associated with Fuel Poverty continues to challenge many of our stakeholders and the feedback we’ve already received provides evidence of how the Warm Homes Fund will make a positive difference to thousands of homes throughout the country.”

The £150m will be awarded through three rounds of funding. Bids are now being invited from for the second round of funding from local authorities and registered social landlords. Details can be found on the website below:

www.affordablewarmthsolutions.org.uk

Warm Homes Fund Round One – Successful Lead Bidders, many acting on behalf of consortiums

Basingstoke and Deane Borough Council
Bromford Housing Association
Clyde Valley Housing Association
Cornwall Council
Denbighshire County Council
Derbyshire County Council
Dorset County Council
East Renfrewshire Council
East Riding of Yorkshire Council
East Sussex County Council
Greater Manchester Combined Authority
Hafod Housing Association
Hillcrest Housing Association
Hull City Council
Incommunities Group Limited
Joseph Rowntree Housing Trust
Karbon Homes
Islington
Newcastle City Council
North Lincolnshire Council
Notes to Editors:
National Grid is pivotal to the energy systems in the UK and the north eastern United States. We aim to serve customers well and efficiently, supporting the communities in which we operate and making possible the energy systems of the future.

National Grid in the UK:
- We own and operate the electricity transmission network in England and Wales, with day-to-day responsibility for balancing supply and demand. We also operate, but do not own, the Scottish networks. Our networks comprise approximately 7,200 kilometres (4,474 miles) of overhead line, 1,500 kilometres (932 miles) of underground cable and 342 substations.
- We own and operate the gas National Transmission System in Great Britain, with day-to-day responsibility for balancing supply and demand. Our network comprises approximately 7,660 kilometres (4,760 miles) of high-pressure pipe and 618 above-ground installations.
- As Great Britain’s System Operator (SO) we make sure gas and electricity is transported safely and efficiently from where it is produced to where it is consumed. From April 2019, Electricity System Operator (ESO) is a new standalone business within National Grid, legally separate from all other parts of the National Grid Group. This will provide the right environment to deliver a balanced and impartial ESO that can realise real benefits for consumers as we transition to a more decentralised, decarbonised electricity system.
- Other UK activities mainly relate to businesses operating in competitive markets outside of our core regulated businesses; including interconnectors, gas metering activities and a liquefied natural gas (LNG) importation terminal – all of which are now part of National Grid Ventures. National Grid Property is responsible for the management, clean-up and disposal of surplus sites in the UK. Most of these are former gas works.

Find out more about the energy challenge and how National Grid is helping find solutions to some of the challenges we face at https://www.nationalgrid.com/group/news