Department for Communities Consultation on the Warm Healthy Homes Fund

August 2026

Summary of NIFHA View:

- NIFHA and our members are extremely concerned that housing association tenants are explicitly excluded from the proposed Warm Health Homes Fund.
- NIFHA highlight that the exclusion of housing association tenants from the proposed Warm Healthy Homes Fund is particularly concerning when considered within the wider funding landscape for social housing decarbonisation across the UK.
- NIFHA strongly encourages the Department for Communities to carry out a full Equality Impact Assessment on this policy proposal.

About NIFHA

The Northern Ireland Federation of Housing Associations (NIFHA), formed in 1977, is the representative body for Northern Ireland's 19 registered housing associations.

Our members are all not-for-profit organisations. Together, supported by the Department for Communities and the Housing Executive, they provide over 62,000 social and affordable homes.

Housing associations access private finance to effectively double the number of homes they could build with government housing association grant alone.

Housing associations also deliver high-quality care and support to help people stay as independent as possible.

Working in partnership with other organisations, they also invest millions each year in community services and facilities.

Our sector employs more than 3,400 people and manages total assets of £5.42 bn.

NIFHA welcomes the opportunity to respond with our views on the Department for Communities Warm Healthy Homes Fund Consultation.

Response to consultation

NIFHA welcomes the ambition of the Warm Health Homes Strategy and the proposed Warm Healthy Homes Fund as a positive step towards improving the energy efficiency, thermal comfort and affordability of homes across Northern Ireland. The focus of the strategy on supporting households with the lowest income, and those most at risk of fuel

poverty is extremely important, especially given the continued pressures many households face in meeting energy costs and maintaining a warm and healthy home.

NIFHA also welcomes the emphasis in the strategy on a whole house and fabric first approach, which has the potential to deliver more sustainable improvements by addressing the underlying energy performance of homes, rather than relying on short term measures. Taken together, these measures represent a positive step towards a longer term approach to tackling fuel poverty. NIFHA therefore supports the overall direction of the strategy and ambition to deliver warmer, healthier and more affordable homes.

We welcome the proposed inclusion of low-carbon heating technologies within the Warm Healthy Homes Fund and recognise the important role that heat pumps can play in reducing carbon emissions. However, as the fund is specifically targeted at households experiencing or at risk of fuel poverty, the affordability of operating these technologies must be central when determining their suitability for this scheme. Greater clarity is needed on how economic viability will be assessed before these measures are introduced. This assessment should ensure that the transition to low carbon heating does not inadvertently increase energy costs for vulnerable households. Moreover, there are several Northern Ireland specific considerations in relation to heat pumps, including a small local market, absence of smart meters and smart tariffs, that could add additional challenges and costs, that must be considered by the Department before launching the scheme. We welcome the recognition within the consultation document that solar PV and battery storage can help offset the running costs associated with low carbon heating. For households facing fuel poverty, the objective should not simply be to install a low carbon heating system, it should be to ensure that when the measures are implemented, the homes are both lower in carbon and genuinely more affordable to heat.

However, in taking this work forward, it will be important to ensure that the benefits of this approach are felt equitably across all housing tenures, including those living in housing association homes in Northern Ireland. NIFHA and our members are extremely concerned that housing association tenants are explicitly excluded from the proposed Warm Health Homes Fund. The pressures associated with high energy costs and low household incomes do not stop at tenure boundaries. Fuel poverty is shaped by a combination of household income, energy costs and the energy efficiency of a home. Tenure alone does not determine whether a household can afford to maintain a warm home. The stated ambition of the wider Warm Healthy Homes Strategy is to support people right across Northern Ireland to live in warm, healthy and energy efficient homes, with a particular focus on those households who are most vulnerable to fuel poverty. Against this backdrop, the exclusion of housing association tenants raises a significant concern for our sector surrounding equity of support. Failure to address this could risk creating a two-tier system of support.

The exclusion of housing association tenants from the proposed Warm Healthy Homes Fund is particularly concerning when considered within the wider funding landscape for social housing decarbonisation across the UK. Northern Ireland is the only region of the UK without a dedicated retrofit and decarbonisation fund for housing associations. While we recognise that the Department for Communities are working closely with NIFHA and our members on a bid to access Financial Transaction Capital (FTC) for a pilot fabric retrofit scheme, it is important to highlight that if successful, this would still be loan finance for housing associations and isn't comparable to grant schemes throughout the UK. In England, significant investment has been made available to social landlords through the Social Housing Decarbonisation Fund, and more recently, the Warm Homes: Social Housing Fund. Similarly in Scotland, social landlords have been supported through the Social Housing Net Zero Heat Fund and in Wales, the Welsh Government continues to provide support to registered social providers through its Optimised Retrofit Programme. These programmes of support recognise that the scale of investment required to improve the energy efficiency of homes and to decarbonise cannot be met through existing resources alone. This funding disparity becomes particularly significant in the context of the proposed Warm Healthy Homes Fund.

Housing association tenants include many households on low incomes, and households which are particularly vulnerable to the rising costs of heating their homes. This can include older people, families with children and people with disabilities. We therefore believe that there is a risk that the proposed approach could create a disparity in the

levels of support between households who are experiencing similar levels of fuel poverty. We would therefore strongly encourage the Department for Communities to go beyond the EQIA screening and carry out a full EQIA.

Housing associations in Northern Ireland are already investing in improving the energy performance of their homes and have an important role to play in supporting Northern Ireland's fuel poverty objectives as well as the wider decarbonisation agenda. However, the scale of investment required to retrofit existing social housing stock is considerable. Housing associations are operating within significant financial constraints and are required to carefully balance investment in existing social homes, alongside the continued delivery of much needed new social housing. Therefore, without a clear and adequately funded grant support alternative for housing associations, there is a risk that some of Northern Ireland's most financially vulnerable households could experience slower access to the government support that could help reduce their energy consumption, improve their thermal comfort and help protect them from fuel poverty.

NIFHA encourages the Department for Communities to take a number of further steps as the Warm Healthy Homes fund and wider strategy moves towards implementation.

1. NIFHA and our members recognise that there is no one-size-fits-all scheme for all tenures, however, the exclusion of social housing tenants from this particular fund should be accompanied by a clear explanation of how equivalent outcomes will be achieved for fuel poor households who are living in the social rented sector.
2. The Department for Communities should undertake further engagement with the housing association sector and wider stakeholders to establish the scale and nature of the retrofit work required across the sector.
3. The Department for Communities should urgently consider the development of a dedicated and adequately funded grant fund for energy efficiency and decarbonisation measures within social housing. A long term programme would provide housing associations with greater certainty to plan and deliver whole house retrofits.
4. The Department for Communities should go beyond the EQIA screening and carry out a full EQIA to assess the impact of this policy.
5. There should be ongoing engagement by the Department for Communities with housing associations and other stakeholders as the strategy develops. Housing associations have detailed knowledge of their homes, tenants and the communities. Therefore, are best placed to identify where investment would have the greatest impact.
6. NIFHA encourages the Department for Communities to publish evidence and guidance on anticipated heat pump running costs and the methodology used to determine economic viability, as well as the circumstances in which complementary technologies such as solar PV and battery storage will be utilised.

In conclusion, NIFHA supports the ambition of the Warm Healthy Homes Fund and wider strategy to improve the warmth and energy efficiency of homes across Northern Ireland, and we welcome the Department for Communities' focus on supporting households that are most vulnerable to fuel poverty.

However, the exclusion of housing association tenants from the Warm Healthy Homes Fund presents a significant concern for our sector and risks creating a clear gap in support for some of the households most in need. The central objective should be to ensure that households that are experiencing fuel poverty can benefit from meaningful improvements, regardless of tenure. In the absence of a dedicated funding mechanism for housing association retrofit, there is a significant risk that social housing tenants could be left behind while households in other tenures benefit from publicly funding interventions.

NIFHA are therefore calling on the Department for Communities to urgently set out how the needs of housing association tenants will be addressed within the wider implementation of the Warm Healthy Homes Strategy and how

the separate approach for housing associations will also be supported by a sufficient and long-term funding framework.

ENDS

Submitted on behalf of NIFHA by:

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