Retrofit Benefits Whitepaper

Retrofit as an economic, social, health and sustainability driver

March 2026

CHANGEWORKS.

About Changeworks

We are dedicated to decarbonising Scotland's homes and a just transition to net zero. As a charity we adopt the social enterprise model, continually re-investing to further our impact and tackle the climate emergency. For nearly 40 years we've worked alongside the Scottish Government, local authorities and communities to help households across Scotland to lower their carbon emissions.

Changeworks' vision is for a world where everyone is able to live, work and enjoy life with a low-carbon impact. We recognise climate change is the most significant threat to the environment and our way of life. We deliver services in energy advice, retrofit management, and decarbonisation solutions, alongside independent consultancy to drive energy efficiency in homes and tackle fuel poverty.

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1. Executive Summary

1.
Executive summary

Retrofitting the UK's homes is often framed as a climate obligation to meet the legally binding target of net zero by 2050 (2045 in Scotland).

While reducing carbon emissions from buildings is essential to meeting this target - residential buildings account for roughly **20% of total UK greenhouse gas emissions**, and are the fourth highest-emitting sector in Scotland[1] - this framing significantly understates the full value of retrofit.

Retrofitting existing building stock to improve its energy efficiency is not just a climate intervention. UK housing stock is one of the oldest and least energy-efficient in Europe.

Combined with rising energy costs, this has resulted in **11% of households in England are in fuel poverty, rising to an alarming 34% in Scotland**[2]. Fuel poverty and carbon emissions are interconnected and share a common solution: retrofit.

When done well, retrofit delivers economic, social, health, and comfort benefits: warmer, healthier homes; reduced pressure on public services; lower energy bills; investment in local jobs and supply chains.

Furthermore, for landlords retrofit can extend maintenance and investment cycles, increase property values, and reduce void periods.

These benefits are well evidenced in research and increasingly visible in practice.

This paper builds on the findings of a study funded by the Scottish Research Alliance for Energy, Homes and Livelihoods that can be downloaded here.

Retrofit can include measures such as:

- Fabric efficiency improvements (e.g. wall insulation)
- Ventilation upgrades (e.g. mechanical extraction)
- On-site renewables and energy storage (e.g. solar PV, thermal batteries)
- Low-carbon heating systems (e.g. heat pumps)

1.
Executive summary

Scotland - and the whole of the UK - now faces a pivotal moment. Policy and legislative frameworks - including the Warm Homes Plan, EPC reform, new damp and mould regulation via Awaab's Law, emerging minimum standards and reforms to how owners in flatted buildings can act collectively – are aligning around improving the quality and performance of existing homes.

At the same time, public concern about cold, unhealthy and expensive-to-heat homes is high, and the economic case for investing in retrofit has never been stronger.

Changeworks believes that retrofit can tackle these challenges simultaneously, delivering homes that are more affordable to heat, use less energy, and produce fewer emissions, while also supporting healthy living.

Sustainable heating and renewable technologies, combined with a context-specific, whole-house approach to retrofit - including fabric and ventilation improvements – are central to achieving these outcomes. Quality retrofit also builds a stronger case for investing in homes across the UK.

Changeworks' 40 years of experience delivering retrofit, energy advice, and

This approach brings together housing stock analysis to inform strategy and sequencing, management of installation and quality control, and evaluation of outcomes.

It also includes providing trusted advice and meaningful community engagement. When these elements are combined, retrofit delivers measurable benefits for residents, landlords, homeowners, communities, and the wider system.

This whitepaper sets out:

- **The context driving the need for action**
- **The economic case and wider benefits of retrofit**
- **The robust evidence base on health, comfort, and social benefits**
- **Benefits and opportunities of retrofit across tenures**

Retrofit should be treated as core social and economic infrastructure. Public need, policy enablers and delivery capabilities mean that Scotland and the rest of the UK must act now to fully realise its benefits.

2.
Context:
Why Retrofit,
Why Now?

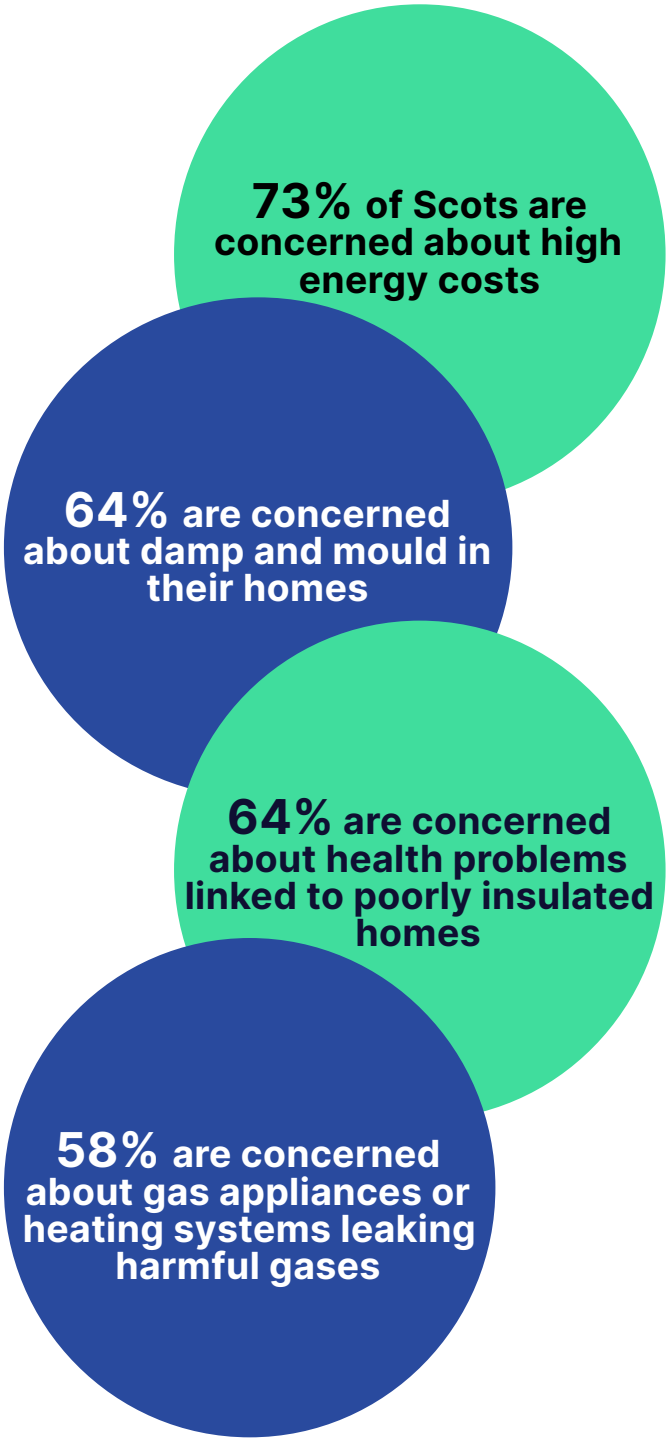
2.1
A Housing System Under Pressure

The UK's housing stock is among the oldest and least energy-efficient in Europe. Poorly insulated, hard-to-heat homes contribute significantly to carbon emissions, fuel poverty and ill health. Domestic buildings account for a substantial share of the UK's emissions, largely from space and water heating, making retrofit central to achieving net zero.

At the same time, there are additional intersecting challenges:

- **Persistently high fuel poverty,** exacerbated by volatile energy prices, alongside the increasingly high cost of living
- **Rising concern about health impacts** of damp, mould and indoor air quality
- **Growing risks and health impacts** from overheating linked to climate change and lack of adaptation
- **Increasing pressure on** health and social care systems

In Scotland, public concern reflects these realities. A 2025 survey from Changeworks[3] shows that Scots are concerned about high energy costs, damp and mould and health problems linked to poorly insulated homes, alongside appliances leaking harmful gases.



2.2
A Shifting Policy and Legislative Landscape

Policy and regulation are evolving across the UK, with the sector entering a period of significant housing reform. Quality retrofit can deliver preventative health benefits, reduce long-term costs for the NHS and social care, and support improved productivity and wellbeing. When implemented at scale, retrofit can also support long-term, skilled employment across construction and local supply chains.

Key developments include:

- **The Warm Homes Plan,** setting a long-term direction across the UK for improving energy efficiency and tackling fuel poverty, providing clarity and market signals
- **EPC reform in England and Wales as well as Scotland,** signalling rising minimum expectations for energy performance, heating system decarbonisation, and cost of running
- **New statutory duties on damp and mould** via Awaab's Law, strengthening requirements of landlords to protect tenants' health
- **Emerging and future Minimum Energy Efficiency Standards** in the private and social rented sector

Within this context, housing, energy efficiency and fuel poverty are devolved, enabling the Scottish Government to set distinct standards and delivery mechanisms within a UK-wide energy market and evolving EPC framework.

As a result, Scotland is also progressing a set of additional, Scotland-specific reforms, including:

- **The draft Buildings (Heating and Energy Performance) and Heat Networks (Scotland) Bill** laying out future plans for heat decarbonisation in Scotland
- **Development of the Social Housing Net Zero Standard (SHNZS) and associated funding** such as Social Housing Net Zero Heat Fund (SHNZHF)
- **Proposals to introduce compulsory owners' associations,** enabling collective action in flatted buildings

Further steps are needed in the regulatory framework, particularly in terms of standards and funding mechanisms.

Nevertheless, the increasingly clearer regulation and standards provide stronger market signals, helping to unlock private investment and accelerate delivery.

With policy alignment, delivery capability and public need converging, this is a pivotal moment to embed the full economic, social and health benefits of retrofit into the UK's housing system.

3.
The Benefits of Retrofit Central to Unlocking Investment

3.
The benefits of retrofit central to unlocking investment

A robust evidence base demonstrates that retrofit delivers benefits far beyond energy and carbon savings.

Changeworks' report on the benefits of retrofit supported by SRA-EHL[4] highlights the potential scope for improvements across physical health, mental wellbeing and economic outcomes.

Realising these benefits depends on retrofit taking a whole-house approach. This means ensuring that the measures are context-informed and appropriate for the property and cut across fabric improvements, ventilation, heating and renewable systems, as well as the behavioural and smart technologies to support use.

Retrofit also needs to be delivered to a consistently high standard. The National Audit Office's 2025 report showing poor-quality insulation installations under the UK's Energy Company Obligation (ECO) schemes, highlight the risks of poor-quality design, installation and oversight.

The failures noted in this report emphasise the risks taken when a whole-home approach is not taken.

Ventilation in particular is increasingly seen as critical to successful retrofit and can be an enabler of multiple benefits.

However, the cost of delivering retrofit supported by competent retrofit coordinators, skilled and accredited installers, and robust quality assurance can be seen as prohibitive across tenures.

Maximising and valuing the full range of benefits from retrofit and help ensure the high-quality retrofit fundamental to achieving health, comfort, carbon and economic benefits.

The following sections highlight the key benefits, using Changeworks' case studies to demonstrate practical means of ensuring the full benefits of retrofit that can be applied across the UK.

3.1
Physical Health Outcomes

Cold, damp and poorly ventilated homes are strongly associated with respiratory and cardiovascular illness, including asthma, chronic obstructive pulmonary disease and infections.

Damp and mould exposure disproportionately affects children, older people and those with existing health conditions.

Retrofitting homes through insulation, ventilation and heating system improvements reduces exposure to cold and damp and can improve indoor air quality.

Overheating is an increasingly important issue as climate change raises summer temperatures, particularly in urban and flatted housing.

When properly designed and paired with passive and when needed active cooling strategies, retrofit can also mitigate risks associated with overheating.

3.1
Physical Health Outcomes

Case Study: Warm Homes Prescription

Changeworks partnered with Energy Systems Catapult to deliver the Warm Homes Prescription (WHP) project, supporting people with health conditions made worse by cold homes.

By "prescribing" warmth through targeted home improvements and support, the project helped residents stay warm, improve health outcomes and reduce hospital admissions.

In winter 2022/23, WHP provided energy bill credits to people with health conditions worsened by the cold, giving them an immediate warm home outcome and increasing awareness of the importance of healthy indoor temperatures.

In summer 2023, homeowners in Aberdeen and Teesside who had received credits were offered home energy improvements; 166 expressed interest and 92 went ahead.

The evaluation[5] showed that WHP effectively supported people to begin their retrofit journey, with over half of achieving healthy temperatures in winter 2023/24.

Participant feedback was positive, with clear benefits for comfort, wellbeing and confidence in heating their homes.

Key findings included:

- Experiencing warmth last year via the bill credits **helped people recognise its health importance**
- **Home energy improvements gave people confidence** they would achieve healthy temperatures
- **81% felt they achieved healthy temperatures** at the end of the winter
- **Just over half maintained temperatures above 18°C** most of the time, and most kept above 16°C, avoiding serious health risks
- **Half of those monitored achieved healthy temperatures** across both winters (2022/23 and 2023/24)

3.2
Mental Health and Wellbeing

Living in a cold, unaffordable or unhealthy home can create stress and anxiety.

Fuel poverty is strongly associated with poor mental health, sleep disruption and reduced ability to concentrate or work effectively.

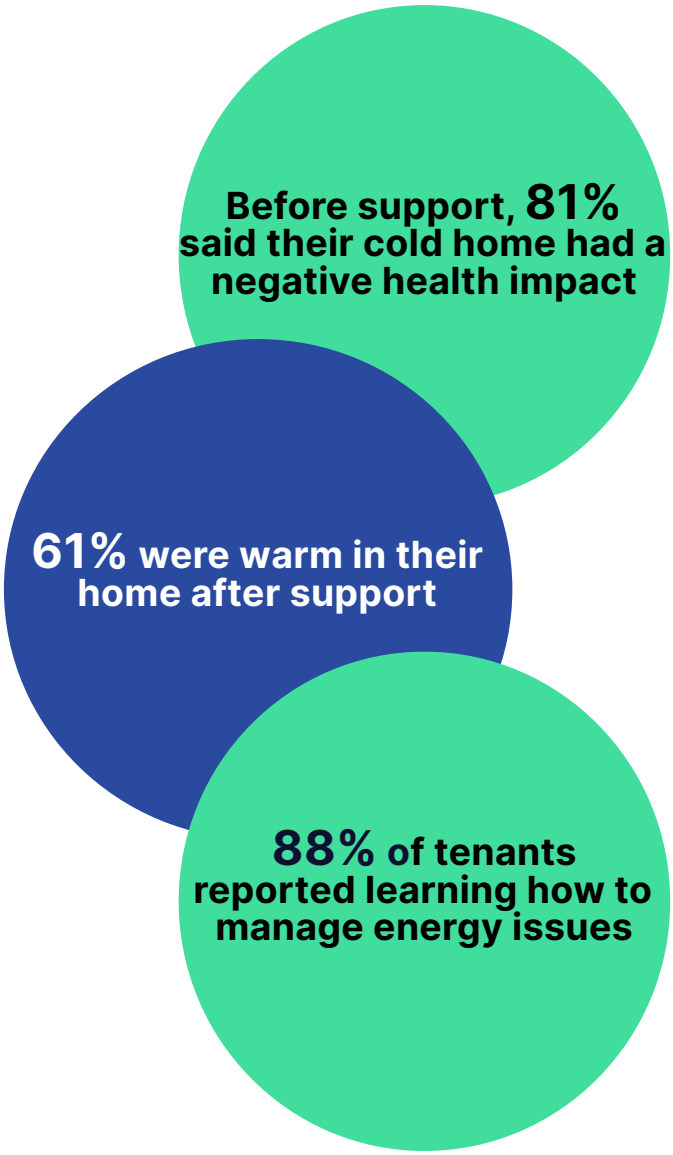
Retrofit can improve comfort and give households greater control over their living conditions, supporting improved mental wellbeing.

Case Study: Tenant Energy Support

Changeworks' Tenant Energy Support service provides tailored energy advice and advocacy to social housing tenants, helping them navigate energy bills and use their homes more effectively. Since 2024-25[6], the service has worked with nine housing associations, **reaching up to 20,000 tenants.** Outcomes include:

- Before advice, only 34% of our clients felt warm in their home; **after Changeworks support, 61% were warm in their home**
- Before advice, 81% stated being cold in their home had a negative impact on their health; **after advice, this figure reduced to 47%.**
- 88% of tenants reported learning how to manage energy issues. **Confidence in dealing with energy issues increased from 35% to 69%**

In addition, over £50,000 were achieved in savings for tenants. These results show how combining retrofit with advice and support maximises wellbeing benefits and reduces anxiety linked to energy costs.



3.3
Decarbonisation, Energy Efficiency and Cost Savings

Retrofit remains essential to reducing carbon emissions from housing. Improving building fabric, upgrading heating systems and supporting low-carbon technologies reduces energy demand, lowers energy bills, carbon emissions and improves comfort.

Residential buildings account for roughly **20% of total UK greenhouse gas emissions**, and are the fourth highest-emitting sector in Scotland.

Furthermore, in Scotland the average home EPC rating is band D. Changes in 2026 to how EPCs will be calculated will place a dual emphasis on both improving the energy performance of the fabric of homes, as well as decarbonising how homes are heated and cooled.

A good level of energy efficiency is seen by many as key to enabling many of the heat decarbonisation solutions currently available.

In 2022, the National Housing Federation[7] estimated that retrofitting the social properties across England and Wales to a minim of EPC C could result in over £700m a year in heating costs, or up to £550 year per home.

Given the continued increase in energy costs for the average home in the UK, it is expected that these savings could be even higher.

3.3
Decarbonisation, Energy Efficiency and Cost Savings

Case Study: Solar Retrofit - Tenant Cost Savings

As part of an Area Based Scheme with East Lothian Council, Changeworks monitored 10 homes fitted with solar panels and battery storage over a full year.

The evaluation found that producing and storing their own renewable energy reduced household dependence on grid electricity by **32% on average,** significantly cutting energy consumption.

Key financial benefits for tenants:

- **Average annual energy bill savings** of around £600 per household from reduced grid electricity use.
- One household reduced its costs by **more than £1,000** in the first year.
- Households generating excess solar energy could **earn an additional ~£83 per year** through Smart Export Guarantee (SEG) tariffs by exporting surplus energy back to the grid.

These financial gains were achieved without compromising home comfort, with all homes maintaining healthy indoor temperatures and humidity levels throughout the year.

This trial demonstrates how retrofit technologies like solar and battery systems can deliver meaningful reductions in energy costs, particularly for households on lower incomes or in fuel poverty.

3.3
Decarbonisation, Energy Efficiency and Cost Savings

Case Study: Multi-Measure Retrofit - Cost Savings and Comfort

An Area Based Scheme with Fife Council upgraded 186 homes with a mix of fabric improvements and renewable technologies to tackle fuel poverty, cut energy use, and boost comfort. Changeworks independently evaluated the project using household surveys, energy data, and EPC analysis. Key outcomes for tenants:

- **Residents saw average annual savings** of £55 for gas and £226 for electricity.
- **Multi-measure upgrades increased** the average EPC rating by 10 points, raising the average EPC band from D to C.

Improvements in home comfort and satisfaction:

- **67% reported that the energy efficiency** measures had improved comfort.
- **90% of households were 'satisfied'** with their energy efficiency upgrades.
- **84% reported that their homes** stayed warmer for longer.
- **59% reported a reduction** in draughts.

This project shows how comprehensive, multi-measure retrofit programmes can deliver measurable energy savings while improving indoor comfort, particularly for fuel-poor households.

3.4
Wider Economic Benefits

The benefits of retrofit extend beyond individual homes. Affordably warm, healthy housing reduces pressure on the NHS, supports productivity by reducing sickness absence, and improves educational outcomes for children living in better conditions.

Furthermore, reduced energy demand can also reduce the need to invest in energy generation and transmission infrastructure, reaping further cost and carbon emission savings.

Retrofit programmes also support employment and skills development across construction, manufacturing and supply chains.

Research[8] has estimated that retrofit can provide a net benefit to the Scottish economy in terms of economic growth and job creation. Furthermore, the Regional Economic Partnerships across Scotland have identified net-zero opportunities – and many home retrofit in particular – as engines for economic development.

The UK Government's £15bn Warm Homes Plan (2026) - targeting upgrades to up to 5 million homes and lifting up to one million families out of fuel poverty by 2030 -will provide much needed momentum for a just transition to net zero that will benefit households at scale.

It also sends a strong signal to drive investment in sustainable technologies, which will, in the longer term, increase economic activity and employment opportunities across the UK.

According to Changeworks' survey, public attitudes in Scotland reflect this opportunity:

- **65% of people are concerned** that the UK is not investing in sustainable energy quickly enough
- **50% believe the transition to net zero** will have positive economic impacts in the medium to long term

Place-based delivery models can help retain economic value locally and support community resilience, as well as provide targeted support to communities in greater need.

3.4
Wider Economic Benefits

Case Study:

Retrofit as an Area for Job Growth - Regional Activity in Scotland

Across Scotland, multiple Regional Economic Partnerships (REPs) and enterprise bodies are increasingly viewing home retrofit as a lever for economic growth and job creation, though the strength and explicitness of their strategies vary.

South of Scotland REP[9]

- Explicit retrofit initiatives through place-based models involving RSLs, SOSE, local authorities, and academic partners.
- Retrofit is integrated into regional regeneration and job creation, supporting skills, fuel poverty reduction, and low-carbon housing improvements.

Glasgow City Region REP[10]

- The most advanced regional retrofit strategy in Scotland.
- Proposes a 10-year, £5 billion housing energy retrofit programme covering 236,000+ homes, targeting insulation and clean heat.
- Expected to support 75,000 jobs over 10 years and generate £4.4bn GVA, positioning retrofit as a key driver of a green, inclusive, and productive economy.
- North East Scotland REP
- Community-led retrofit hub NESFIT addresses inefficient housing stock, whole-house retrofit planning, and contractor development.
- Contributes to local low-carbon employment and strengthens the regional retrofit supply chain.

3.4
Wider Economic Benefits

Case Study: Retrofit as an Area for Job Growth - Regional Activity in Scotland

Highlands & Islands REP[11]

- £100bn potential investment identified focussing on renewable energy and associated infrastructure.
- While there is no explicit retrofit programme, the strategy workforce development, infrastructure readiness, and the availability of suitable housing to support economic growth.
- Housing quality and affordability challenges are identified as constraints on regional development, suggesting a complementary role for retrofit investment.
- Aims to leverage green opportunities to create thousands of jobs over 10 years.

North East Scotland REP[12]

- Community-led retrofit hub NESFIT addresses inefficient housing stock, whole-house retrofit planning, and contractor development.
- Contributes to local low-carbon employment and strengthens the regional retrofit supply chain.

3.3
Decarbonisation, Energy Efficiency and Cost Savings

Case Study: Highland Energy Community Partnership and Borders programmes

Fuel poverty is a particularly acute challenge in the Highlands, reflecting the added pressures of rural living, limited access to mains gas and higher energy costs.

Changeworks' work in the Highlands and Borders links retrofit and energy initiatives with local enterprise agencies and community partners.

These programmes demonstrate how retrofit can support local economic development, strengthen communities and contribute to long-term regional sustainability.

Changeworks has launched the Highland Energy Community Partnership (HECP), a five year initiative, backed by a £1.5 million National Lottery Climate Action Fund grant to unite community partners from across the Scottish Highlands in tackling barriers to home retrofit, improve energy efficiency and alleviate widespread fuel poverty in remote rural areas.

The partnership brings together six local community organisations with The Highland Council, University of the Highlands and Islands and Home Energy Scotland to support householders with energy advice, retrofit planning and access to funding.

An additional focus is to stimulate local supply chain, ensuring local opportunities for upskilling and accreditation programmes.

4. How Benefits Play out Across Tenures: Opportunities and Barriers

4.
How Benefits Play Out Across Tenures: Opportunities and Barriers

While retrofit benefits are broadly shared, how they are realised varies significantly by tenure. Changeworks recognises common challenges across tenures – cost, complexity, skills and data – alongside tenure-specific barriers and opportunities.

Effective policy and delivery must reflect these differences. The Warm Homes Plan provides a UK-level signal of long-term funding and strategic ambition, which can complement Scotland's devolved initiatives, creating alignment across tenures.

The visual to the right outlines household characteristics in Scotland broken down by tenure[13].

4.1
Social Housing

Social housing is uniquely positioned to deliver retrofit at scale and to realise its full range of benefits. Changeworks research suggests, however, that doing so will require a means of measuring the full value of retrofit and including it in investment and asset management decision making.

While landlords recognise the health, wellbeing and social impacts of warmer homes, current regulatory, financial and data frameworks incentivise compliance and cost control over long-term outcomes.

The opportunity now is to use emerging standards, funding and health-focused regulation – including Awaab's Law, the UK-wide Warm Homes Plan (for social landlords in England) and future Scottish Government regulation including Social Housing Net Zero Standards – to embed climate and other benefits of retrofit into core asset management, investment planning and performance reporting.

With the right tools and incentives, retrofit can move from being seen as a cost pressure to a strategic investment in people, homes and place.

Barriers

Changeworks' Co-Benefits of Retrofit report shows that integrating retrofit benefits into decision making is not lack of awareness, but the absence of regulatory, methodological, financial and data mechanisms to support their incorporation.

Enabling meaningful integration will require progress across four areas:

- Clearer regulatory and policy expectations linked to long-term standards
- Standardised methodologies for assessing and valuing nonfinancial outcomes
- Improved monitoring and data infrastructure capable of evidencing health, wellbeing and social indicators
- Organisational capacity and support to integrate these approaches into business and asset planning

4.1
Social Housing

Opportunities

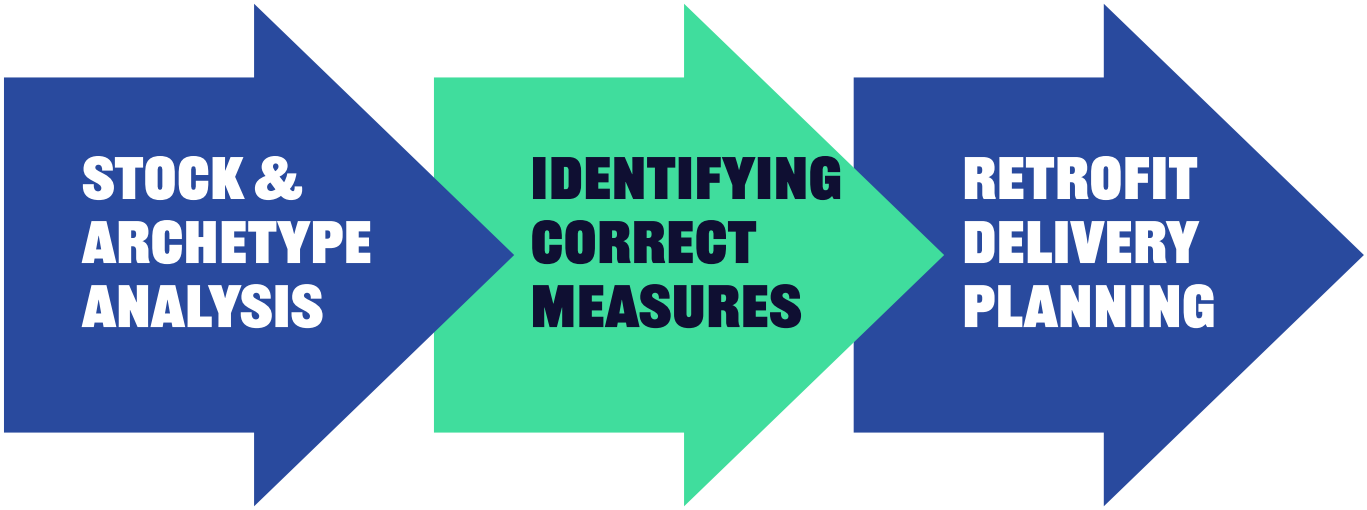
Social housing offers significant opportunities. Changeworks is piloting a strategic, data driven approach for social landlords to move from reactive or piecemeal works to planned, sequenced, and fundable retrofit programmes.

Landlords may under value retrofit benefits because indirect financial benefits are not evidenced or incorporated in financial planning.

The development of a strategic approach to planning retrofit can help capture these benefits, reduce risk of retrofit failure, as well as support operational benefits for social housing providers:

- Reduced energy and maintenance costs
- Reduced voids and increased tenant stability
- Extended asset lifecycles and avoided depreciation
- Access to grant funding (e.g. Social Housing Net Zero Heat Fund in Scotland / UK Warm Homes Plan funding in England & Wales) and emerging finance models

4.1
Social Housing



Case Study: Midlothian Council Retrofit Delivery Plan

In 2025, Changeworks collaborated with Midlothian Council to develop Scotland's first local authority retrofit delivery plan, providing a strategic roadmap to decarbonise social housing and support net zero goals.

The plan combined detailed housing stock analysis, energy modelling, and actionable projects, helping prioritise works, attract funding, and future proof homes for tenants.

The plan had three stages:

- **Stage 1 – Stock analysis & archetypes**
- **Stage 2 – Retrofit sequencing & options appraisal**
- **Stage 3 – Delivery planning & digital tools**

The plan has helped Midlothian Council adopt a place-based, strategic approach to retrofit, integrating projects across the housing portfolio and supporting long-term carbon reduction, energy efficiency and fuel poverty goals. Changeworks is currently working to incorporate other benefits of retrofit into its approach.

4.2 Homeowners

For homeowners, retrofit offers some of the most direct and tangible benefits, from improved comfort and health to lower bills and protected property value.

However, progress is slowed by high upfront costs, fragmented advice and a lack of clear long-term signals to stimulate action.

Changeworks 2025 report with NESTA[14] highlighted that while homeowners could benefit from retrofit, there are potential challenges that those at risk of fuel poverty, first time buyers or challenges accessing low-cost long-term finance.

Without strong support, there is a risk that retrofit deepens inequality between those able to invest and those locked into inefficient, unhealthy homes.

The UK-wide Warm Homes Plan, the draft Buildings (Heating and Energy Performance) and Heat Networks (Scotland), EPC reform and the proposed Tenement Reform Bill's Owners' Associations provisions create a critical opportunity to change this trajectory, providing clearer pathways, collective solutions for flats and stronger market signals.

To succeed, these must be matched with trusted advice, accessible finance and delivery models that reflect the diverse circumstances of UK households.

Barriers

- High upfront costs and uneven access to finance
- Fragmented advice and low trust in installers
- Lack of a clear legislative incentive for phasing out fossil fuel heating
- Perceived or actual in-home disruption during works
- Mistrust or uncertainty around low-carbon technologies
- A widening divide between households able to self-fund retrofit and those at risk of fuel poverty

Opportunities

- The proposed Owners' Associations Bill unlocks collective action in flats
- EPC reform acts as a market signal, influencing mortgage access and resale value
- Grant, loan and blended finance models can reduce barriers in Scotland and across the UK
- Growing awareness of health and comfort benefits aligns with homeowner priorities

4.2
Decarbonisation, Energy Efficiency and Cost Savings

Case Study: Domestic Retrofit - In Need of Financial Support

Maggie lives in an old farm cottage heated by oil and struggled with cold temperatures before signing up for a Scottish Government Area Based Scheme delivered by Changeworks that funded internal wall insulation works for her home.

The installation process was smooth and professional, and afterwards Maggie noticed a significant improvement in warmth and comfort.

Her upstairs rooms stayed warmer overnight even in freezing conditions, and the house retained heat much better with the heating on.

She also appreciated the aesthetic improvements to her interior walls and skirtings.

"Last year, it was pointless to even have the radiators upstairs turned on as it seemed to make no difference to the room temperature, but I am definitely feeling a change this year. It is definitely more comfortable in the house." Maggie

4.2
Decarbonisation, Energy Efficiency and Cost Savings

Case Study: Domestic Retrofit - Able to Pay

Mike, a homeowner in Edinburgh, found that working from home exposed how cold and inefficient his home was, prompting him to explore retrofit rather than moving.

He chose EcoCosi from Changeworks, Scotland's first end-to-end home retrofit service, to deliver his home improvement project.

The EcoCosi team conducted a Home Survey, assessing the building fabric and heating system.

This led to a Whole Home Report outlining his home's energy efficiency and clear retrofit recommendations.

From there, the team oversaw installation using EcoCosi's trusted network of vetted contractors.

Mike's annual savings after the home retrofit:

- **£1,433 in energy costs**
- **3,640kg in CO2e**

"People have to get on board with retrofitting and have to recognise that we all need to do our bit to future proof our homes – we can't just leave it to others to do it." Mike

4.3
Private Rented Sector

In the private rented sector, retrofit is essential to improving housing quality and protecting tenant health, yet progress is constrained by split incentives and short-term investment horizons.

Landlords often face costs while tenants experience the benefits, limiting voluntary action.

Strengthened minimum standards, EPC reform and damp and mould regulation offer a route to overcoming this impasse, creating a requirement for action while improving consistency across the sector.

When aligned with support and finance, retrofit can deliver better living conditions, reduced voids periods and more resilient assets.

Ensuring that regulation drives improvement without reducing supply will be key to unlocking the full social and economic benefits in this tenure.

Barriers

- Split incentives between landlords and tenants
- Limited ability to recover costs
- Risk of disinvestment in inefficient properties
- Short-term investment horizons

Opportunities

- Minimum Energy Efficiency Standards and EPC reform
- Stronger damp and mould regulation under Awaab's Law
- Improved tenant wellbeing and satisfaction
- Reduced void periods and maintenance costs
- Protection of asset value and regulatory compliance

4.3
Private Rented Sector

Case Study: EcoCosi Private Rented Sector Engagement – South Lanarkshire

Changeworks' EcoCosi home retrofit service held a webinar for private landlords in South Lanarkshire, attracting over 50 sign-ups.

This strong turnout demonstrates clear interest and demand for guidance and support in improving the energy efficiency of rental properties.

The EcoCosi team is working with private landlords, including most recently a multi-property owner, managing retrofit improvements across four properties for a South Lanarkshire landlord.

The service is also building relationships with professional landlord bodies to expand engagement, share best practice, and support energy-efficient investment across the private rented sector.

5. Conclusion: Retrofit as Economic, Social, Health and Climate Infrastructure

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Conclusion: Retrofit as Economic, Social, Health and Climate Infrastructure

There is now overwhelming evidence that retrofit delivers substantial physical, mental and economic benefits.

These include improved indoor environmental quality, reduced cold and damp, mitigation of overheating risks, enhanced wellbeing, avoided healthcare use and contributions to productivity and local economies.

Changeworks believes that the approach to retrofit must tackle these challenges simultaneously to deliver homes that are more affordable to heat, with reduced energy use and emissions, while also supporting healthy living.

Sustainable heating and renewable systems, combined with a context-specific whole-house approach -including fabric and ventilation improvements - can deliver these benefits.

The UK-wide Warm Homes Plan, regulation on damp and mould and growing public concern create a window to embed these benefits into how retrofit is funded, regulated and delivered.

In Scotland, in 2026 it is expected that a number of regulatory decisions will be made around heat in buildings as well as minimum performance standards for social landlords.

By taking a strategic, whole-house approach and seeking to maximise the full range of benefits, retrofit will not only reduce the risk of poor-quality outcomes but also strengthen the case for long-term investment in homes across the UK.

Retrofit should be seen not merely as a climate obligation or a cost, but as vital national investment in homes to support health, equity, economic resilience, and the transition to a sustainable future.

The evidence is clear, the benefits are tangible, and the opportunity to act is now.

6. References

6. References

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Changeworks is a leading organisation dedicated to decarbonising Scotland's homes and a just transition to net zero. We deliver services in energy advice, retrofit management, and decarbonisation solutions, alongside independent consultancy. Through partnerships across the UK, we help accelerate the transformation of Scotland's homes toward sustainability.

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