RISE | Retrofit information, support & expertise

Understanding how housing providers prioritise retrofit investment

Supply chain advice pack

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Introduction

Housing providers manage large and diverse portfolios, often with competing demands on limited capital. Decisions about where to invest in retrofit therefore sit within a **wider asset management and investment strategy**.

A home may be prioritised for retrofit because it:

- Has poor energy performance or high estimated energy costs.
- Has repeat repair requirements, placing demand on revenue budgets.
- Has been defined as non-decent or approaching non-decency.
- Is approaching the end of life of a major component, such as a roof, boiler, windows or heating system.
- Has residents experiencing fuel poverty or other forms of vulnerability.
- Presents an opportunity to combine several works into one intervention.
- Contributes significantly to the provider's carbon-reduction objectives.
- Has a strong business case for investment based on whole-life cost.
- Needs investment to meet current or future regulatory requirements
- Can be delivered efficiently because similar properties are being upgraded at the same time.

Key point: the home with the lowest EPC is not automatically the home that will be retrofitted first.

Housing providers are increasingly looking across their portfolios and considering **which investment delivers the greatest strategic value**, rather than assessing energy efficiency in isolation. Current regulatory and financial pressures reinforce this approach: providers must balance investment in existing homes, building safety, energy efficiency, stock quality and new supply[1].

Tip: A strong retrofit proposal should demonstrate not only *what measure can be installed*, but **why the intervention makes sense for the provider's wider asset strategy**.

What information do housing providers use?

There is no single dataset that determines investment priorities. Providers increasingly bring together multiple sources of **asset, financial, energy and resident information** to build a picture of each property.

[1] Value for money metrics and reporting 2025

Key information areas

Data / evidence	What it tells the provider	Why it matters for retrofit
Stock condition	Age, condition, remaining life of building components and hazards using Housing Health and Safety Rating System (HHSRS).	Identifies properties already requiring investment.
EPC / energy data	Current energy performance and potential improvement.	Highlights energy-efficiency and compliance opportunities.
Repairs and maintenance	Frequency and cost of repairs.	Can identify properties becoming expensive to maintain.
Building safety	Fire, structural, electrical and other safety requirements.	Safety and statutory works can take priority over retrofit.
Resident information	Fuel poverty, vulnerability, complaints, satisfaction and priorities.	Helps identify where investment could deliver greater social benefit.
Financial data	Capital cost, maintenance cost, Net Present Value (NPV) and whole-life cost. NPV Capital and maintenance costs are included in NPV as an output; Rents/other income as in input.	Supports value-for-money decisions.
Carbon data	Current and potential emissions.	Helps providers target decarbonisation investment.
Property characteristics	Archetype, age, construction, tenure and location.	Determines technical suitability and programme efficiency.
Planned works	Existing programmes for kitchens, roofs, windows, heating etc.	Creates opportunities to combine works and reduce disruption.
Funding availability	Internal capital and external funding opportunities.	Can influence which homes are financially deliverable.

Tip: The more effectively you can connect your retrofit proposal to the provider's existing asset data, the more commercially relevant your proposition becomes.

How are homes prioritised?

Housing providers may use different methodologies, but the decision can be understood as a series of questions:

1. **Is there an immediate requirement?**



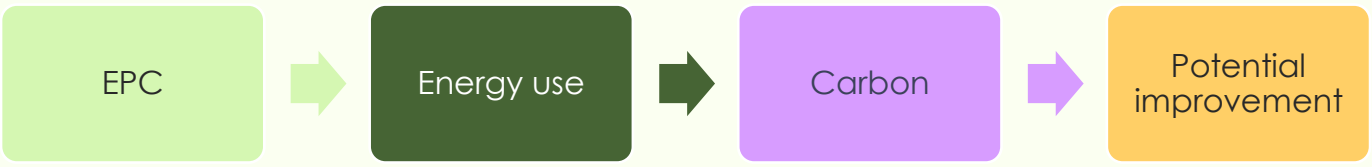
Properties with urgent building safety, health or serious condition issues may need investment before energy improvements.

2. **What is the condition of the home?**



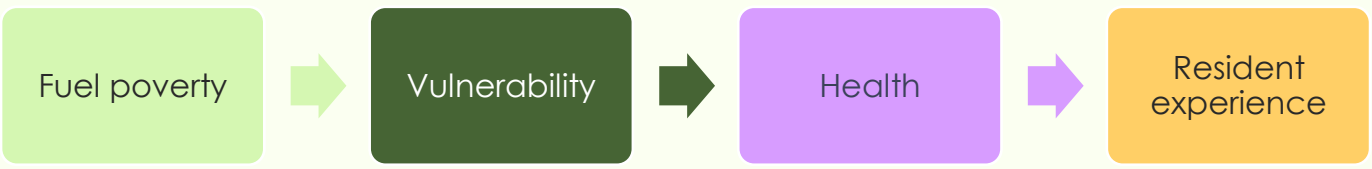
A property approaching the end of life of its roof, windows, heating system or other components may present an opportunity to coordinate retrofit with planned replacement.

3. **What is the energy and carbon opportunity?**



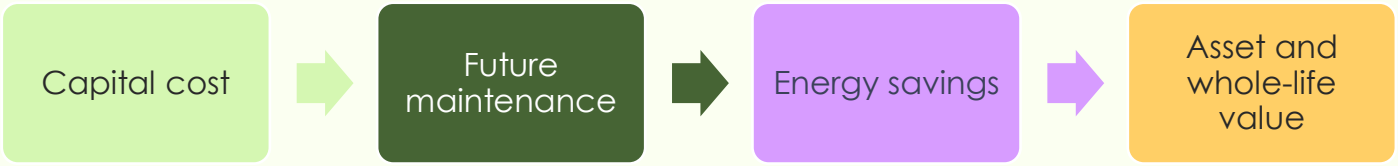
Providers can consider the starting position of the property alongside the potential impact of different interventions.

4. **What is the resident need?**



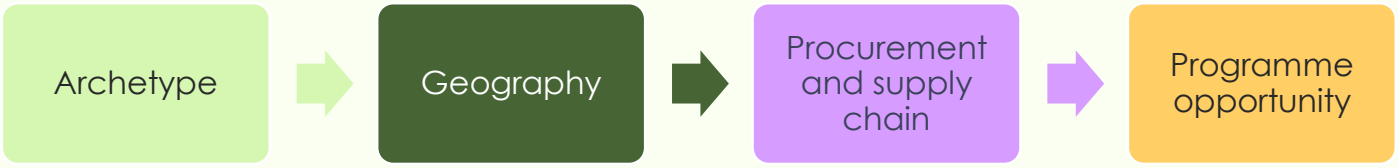
Two homes with identical EPC ratings may not have identical investment priorities if the resident circumstances are different.

5. **Does the investment provide value for money?**



Providers increasingly need to demonstrate that investment delivers against organisational objectives rather than simply achieving a technical improvement.

6. **Can the work be delivered efficiently?**



If 200 similar homes are in the same estate and require similar interventions, they may offer a stronger programme opportunity than a small number of technically isolated properties.

Tip: The strongest supply-chain propositions can demonstrate **more than technical performance.**

Instead of:

"Our solution can improve the EPC of these homes."

Consider:

"Our approach can improve energy performance while coordinating with planned component replacement, reducing repeat visits, supporting the provider's carbon pathway and improving outcomes for residents."

That is much closer to the way investment decisions are being framed.

Align retrofit with planned maintenance

The biggest opportunity may be the work already planned.

Retrofit can become significantly easier to justify when it is integrated with an existing investment programme. For example:

- **Roof replacement and roof insulation**
- **Window replacement and ventilation improvements**
- **Boiler replacement and low-carbon heating assessment**
- **External repairs and external wall insulation**
- **Kitchen/bathroom replacement and associated ventilation improvements**
- **Major refurbishment and whole-house energy improvements**

This approach can potentially:

- Reduce repeat visits to residents
- Reduce mobilisation and preliminaries
- Reduce disruption
- Avoid installing a new component that later has to be removed or altered
- Improve sequencing between measures
- Create economies of scale
- Make better use of planned capital expenditure

The opportunity is particularly important because retrofit and routine maintenance have historically been separated within housing organisations, with different budgets, contracts and teams sometimes responsible for each. Government research into social housing retrofit identified this separation as a significant barrier to linking thermal improvements with routine maintenance[2].

For the supply chain: before proposing a standalone retrofit solution, find out:

- What planned works are already programmed?
- Which building components are approaching replacement?
- Are there estate-wide investment programmes?
- Are there upcoming heating, roofing or window programmes?
- Can retrofit measures be incorporated into existing contracts?
- Are there opportunities to coordinate works across an archetype or neighbourhood?

Key point: Think beyond "What retrofit measure does this home need?"

Ask: "What investment is already planned for this home, and how can retrofit add value to it?".

Turn property-level data into investment decisions and deliverable programmes

It's important to make your proposal useful to the asset-management team, not just the retrofit team.

What does this mean for the retrofit supply chain?

[2] What are the barriers to retrofit in social housing?

1. Understand the client's objectives:

- Asset management strategy
- Retrofit / decarbonisation strategy
- Planned investment programme
- EPC and stock-condition targets
- Resident priorities
- Funding position
- Carbon-reduction objectives

2. Ask for the right data:

- Property archetypes
- EPC ratings
- Stock condition
- Component age
- Repairs history
- Planned maintenance
- Energy performance
- Resident characteristics
- Existing retrofit measures

3. Demonstrate portfolio value

Don't only price individual properties. Show:

- Cost per property
- Cost by archetype
- Potential programme economies
- Whole-life implications
- Potential carbon reduction
- Energy-performance improvements
- Resident outcomes
- Maintenance implications

4. Help improve the client's evidence base

Where data is incomplete, suppliers can add value through:

- Surveys
- Archetype analysis
- Property-level assessments
- Data validation
- Cost modelling
- Option appraisal
- Programme modelling
- Performance monitoring

5. Show how your solution fits the programme

The strongest proposition answers:

- Where? → Why these homes? → Why now? → What intervention? → What does it cost? → What does it achieve? → How can it be delivered at scale?

Case study: Using asset intelligence to prioritise investment

Crawley Homes – moving towards a whole-asset approach

The challenge

Housing providers need to make long-term investment decisions across a portfolio where homes have different conditions, costs, energy performance and future investment requirements.

The approach

Crawley Homes' 2026–2030 Asset Management Strategy proposes introducing a **Quality Homes Score** at individual asset level.

The proposed assessment brings together:

- Stock condition
- Energy performance and customer utility costs
- Net-zero pathway
- Repairs data and maintenance costs
- Market value
- Tenure mix
- Construction type
- Age
- Future capital investment requirements
- Other strategic considerations

The score is then intended to inform decisions about the future investment and management of individual assets (Source: Crawley Council)

What can the supply chain learn?

1. **Retrofit sits within asset management.**
   Energy performance is one part of the investment decision.
2. **Property data matters.**
   A supplier that can work with the client's asset data can contribute earlier in the decision-making process.
3. **The business case matters.**
   Providers need to understand cost, future maintenance and wider asset implications.

4. **Portfolio thinking is important.**
   The opportunity is not simply to deliver measures to individual homes, but to help providers identify and programme the right homes at the right time.

Key point: The most valuable retrofit proposition is not necessarily the one with the best technical specification. It is the one that helps the housing provider make a better investment decision.

Key takeaways for the supply chain

1. **Don't assume lowest EPC = highest priority**
Investment decisions consider a much wider set of factors.

2. **Understand the client's asset strategy**
Retrofit needs to support the provider's wider investment objectives.

3. **Look for planned-maintenance opportunities**
Bundling retrofit with existing investment can improve value and reduce disruption.

4. **Think portfolio, not just property**
Archetypes, estates and programmes can create opportunities for scale and efficiency.

5. **Quantify more than energy savings**
Consider cost, carbon, resident outcomes, maintenance, compliance and whole-life value.

6. **Make data part of your proposition**
Good asset intelligence can help providers identify, prioritise and programme investment.

7. **Help the client answer "why this home, why now?"**
That is ultimately the investment decision your proposal needs to support.

Resources

Podcast: All RISE podcasts are available **here**.

PAS podcast: "Archetyping for your retrofit project" available **here**.

Masterclass: All RISE masterclasses are available **here**.

Masterclass "Urban vs Rural Approaches to Retrofit" available **here**.

Advice pack: All RISE advice packs available **here**.

Masterclass "Building Your Business Case and Project Plan" available **here**.

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