RISE | Retrofit information, support & expertise

Understanding what makes a strong retrofit business case

Supply chain advice pack

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Overview

As housing providers across the UK accelerate their retrofit ambitions, securing internal approval and external funding remains one of the biggest challenges to programme delivery. While housing associations and local authorities typically own the business case development process, retrofit supply chain organisations play a vital role in strengthening investment decisions.

By providing robust evidence, practical delivery insight, performance data and market intelligence, the supply chain can help clients develop more compelling retrofit business cases. Organisations that understand what decision-makers need and align their offer accordingly are more likely to be viewed as trusted partners rather than simply contractors.

This Advice Pack explores the key elements of a successful retrofit business case and highlights how the supply chain can support housing providers at every stage of the investment process.

Introduction

Retrofit programmes represent significant long-term investments for housing providers. Whether driven by net zero commitments, regulatory requirements, fuel poverty objectives or asset management strategies, retrofit projects often require substantial capital expenditure and organisational change.

Before funding is approved, housing providers must demonstrate that proposed investments deliver clear value, manage risk effectively and support wider organisational objectives. Business cases are therefore scrutinised by executive teams, boards, funding bodies and other stakeholders.

The strongest business cases combine strategic objectives with practical delivery evidence. This is where the retrofit supply chain can add considerable value. Providers need more than product specifications and installation costs; they need confidence that proposed measures will deliver the anticipated outcomes.

Understanding how investment decisions are made can help supply chain organisations position themselves as valuable contributors to programme development and long-term strategic planning.

Why retrofit business cases matter

A retrofit business case serves as the foundation for investment decisions. It explains why a project is needed, what outcomes it will achieve, how it will be delivered and whether it represents good value for money.

Housing providers typically use business cases to:

- Secure board or executive approval.
- Access grant funding and external investment.
- Prioritise competing capital projects.
- Demonstrate alignment with corporate strategies.
- Assess risks and delivery feasibility.
- Build stakeholder confidence.

A strong business case extends beyond carbon reduction figures or compliance requirements. Decision-makers increasingly want to understand the broader impacts of retrofit programmes, including resident wellbeing, asset performance, energy affordability and organisational resilience.

Supply chain organisations that understand these wider priorities are better positioned to support clients in developing compelling investment proposals.

Common barriers to investment approval

Despite growing recognition of the need for retrofit, many projects struggle to secure approval.

Common challenges include:

Uncertain costs
Retrofit programmes often involve significant upfront investment, and concerns around cost inflation, unforeseen works and programme overruns can make decision-makers cautious.

Unclear return on investment
Many retrofit benefits are realised over a long period. Boards may question whether projected energy savings, maintenance reductions or carbon benefits justify the required expenditure.

Performance risk
Housing providers are increasingly aware of the gap that can exist between predicted and actual building performance. Decision-makers want reassurance that proposed measures will achieve expected outcomes.

Delivery capacity concerns
Questions around supply chain capability, workforce availability and programme scalability can create uncertainty during investment assessments.

Limited evidence

Where there is insufficient evidence from comparable projects or previous delivery experience, stakeholders may lack confidence in forecasts and assumptions.

The supply chain can help address these concerns by providing clear evidence, realistic assumptions and demonstrable delivery experience.

Reliability and trust in data

If data is inconsistent, incomplete, outdated or lacks stakeholder confidence, organisations can struggle to understand asset needs, risks and opportunities. This can lead to fragmented investment decisions, reduce the ability to take a holistic portfolio approach, and make it harder to align projects with strategic objectives and demonstrate value.

What housing providers need from the supply chain

Housing providers look to the supply chain for more than products and installation services. They need reliable partners who can contribute to planning, risk management and solution development.

Key requirements include:

Technical expertise

Providers need support understanding which measures are most suitable for their housing stock and how they will perform over time.

Delivery insight

Practical knowledge of installation requirements, sequencing, resident engagement considerations and programme logistics can help improve business case accuracy.

Cost intelligence

Real-world pricing information helps clients develop realistic budgets and identify opportunities for efficiency.

Risk identification

Supply chain partners can help clients understand potential technical, operational and programme risks at an early stage.

Innovation and best practice

Organisations that share lessons learned from previous projects can help clients avoid common pitfalls and strengthen investment plans.

Housing providers need a supply chain that goes beyond technical delivery and works as a genuine partner in achieving programme objectives. This means building relationships in the spirit of partnership, with mutual respect, shared goals and a commitment to each other's success. Housing providers are looking for organisations that can collaborate openly, contribute to long-term outcomes and support informed decision-making throughout the investment journey.

The role of evidence, performance, data and case studies

Evidence is often the factor that determines whether a business case succeeds or fails.

Decision-makers need confidence that proposed measures will achieve expected outcomes and that investment assumptions are realistic.

Valuable forms of evidence include:

Measured performance data
Actual energy savings, carbon reductions and resident outcomes from completed projects are often more persuasive than modelled projections alone.

Monitoring and evaluation results
Post-occupancy evaluation findings demonstrate whether retrofit measures have delivered anticipated benefits in practice.

Comparable case studies
Examples from similar housing providers can help decision-makers understand risks, costs, challenges and achievable outcomes.

Resident feedback
Testimonials and satisfaction data provide insight into the lived experience of retrofit programmes and help demonstrate social value.

Long-term asset performance
Evidence regarding durability, maintenance requirements and lifecycle costs can strengthen investment arguments significantly.

Supply chain organisations that proactively collect and share performance data can make a valuable contribution to client decision-making processes.

Demonstrating value beyond installation costs

One of the most common weaknesses in retrofit business cases is an excessive focus on capital costs. While cost remains important, housing providers increasingly evaluate investments based on whole-life value.

Supply chain organisations can support this approach by helping clients quantify benefits such as:

- Reduced energy bills for residents.
- Improved thermal comfort and health outcomes.
- Lower maintenance and lifecycle costs.
- Reduced carbon emissions.
- Increased asset resilience and future regulatory compliance.

- Enhanced resident satisfaction and wellbeing.
- Improved organisational reputation and ESG performance.

Framing retrofit as a strategic investment rather than a construction project can strengthen the overall business case and improve stakeholder buy-in.

Building trust and credibility with clients

Trust plays a major role in investment decisions. Housing providers must often commit significant financial resources while managing substantial organisational risk. As a result, credibility and reliability are highly valued when selecting partners.

Supply chain organisations can build trust by:

- Sharing transparent performance data.
- Being realistic about costs, risks and delivery challenges.
- Providing independent evidence where available.
- Demonstrating experience on similar projects.
- Offering clear and consistent communication.
- Supporting clients beyond procurement and installation stages.

Organisations that are viewed as long-term partners are often involved earlier in programme development and have greater opportunities to influence project outcomes.

Early market engagement and collaboration

Many of the strongest retrofit programmes are shaped long before formal procurement begins. Early engagement allows housing providers to access specialist expertise during the planning stage and develop more realistic business cases.

Benefits of early collaboration include:

- Better understanding of solution options.
- More accurate cost estimates.
- Improved risk identification.
- Stronger programme design.
- Greater alignment between client needs and market capability.
- More realistic delivery timescales.

Supply chain organisations should actively seek opportunities to engage through market engagement events, strategic discussions, design workshops and innovation partnerships. Being involved from the outset enables suppliers to

contribute meaningfully to investment planning while developing stronger client relationships.

Supporting funding applications and investment proposals

Many retrofit programmes rely on external funding sources, making high-quality funding applications essential.

Supply chain organisations can support these applications by providing:

Technical specifications and product information.

- Cost estimates and budget assumptions.
- Carbon reduction calculations.
- Delivery methodologies and programme plans.
- Evidence of previous success.
- Monitoring and evaluation approaches.
- Risk management information.
- Social value and resident benefit evidence.

Providing well-structured information that aligns with funding requirements can help housing providers develop stronger applications and improve their chances of securing investment. The most effective suppliers understand not only their own offer but also the funding landscape their clients must navigate.

Resources

Podcast: All RISE podcasts are available here.

Podcast: "Best practice in procurement with Fusion 21" available here.

Masterclass: All RISE masterclasses are available here.

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

Advice pack: All RISE advice packs available here.

Advice pack: "Business Case Toolkit" available here.

This pack aims to share insights, good practices, and lessons learned from the sector. It is intended for informational purposes only and does not constitute as recommendations or endorsements of specific suppliers, products, or services or as legal advice. Please always check the latest regulations.

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