



## 2500 Days

Navigating the path to net zero carbon  
homes with our customers



building  
communities



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# Foreword

**Paul Richards**

Group Director of Customer and Communities, Orbit



Energy efficient, affordable, comfortable, safe homes – phrases that express the shared goal facing the social housing sector. While it might be simple to articulate, there is no shying away from the fact that this is a complex challenge which has been further exacerbated by the economic and political turmoil of the past 12 months.

One year on from the publication of our joint report with the Chartered Institute of Housing – *Working with customers to make net zero carbon a reality* – we find ourselves in the middle of a cost-of-living crisis, where energy prices have rocketed to unprecedented levels for consumers and businesses alike.

This sets ambitious net zero targets in a new context.

Consequently, it is more important than ever to keep talking to our customers about this important and complex issue, to find out how the events of the past year have affected their opinions and behaviours.

And the result is our second net zero carbon report – 2500 days. Because that's about how long our sector has left to meet our first big milestone on the journey to net zero – ensuring every home achieves an EPC rating of C or above. Engaging our customers in our net zero aligned activities is crucial to achieving this goal. EPC C is a long way from net zero but it's a step on the way. And it will be followed by the phasing out of gas central heating, the next big challenge starting later this decade and then continuing through the 2030s.

At Orbit we're proud of the progress we have made during the past 12 months and recognise the value of the insight that we have gleaned along the way – it will inform our approach going forwards. But the fact remains that this is a difficult and complicated issue.

As a sector, social housing has not been immune from increased financial pressures, dealing with damp, mould and condensation, the impact of rising labour and material costs and the introduction of new regulatory responsibilities in the form of the Building Safety Act. The impact of these measures has been made more significant by the recent net reduction in income via the rent cap.

And yet, collectively, we are uniquely placed to effect significant and positive change by improving the energy efficiency of 14% of the UK's housing stock. The benefits of such projects extend far beyond the environmental, helping to address affordability and health & wellbeing issues for some of the most vulnerable households.

To realise these benefits, the sector needs adequate funding and policies that are founded on a deep knowledge and understanding of the scale of retrofitting projects and their impact onto customer behaviours. This is not a task that housing associations can tackle in isolation and instead requires a collective effort involving the entire social housing sector, our wider networks, and government.

It is encouraging to see these concerns acknowledged and reflected in the recommendations outlined in the Net Zero Review published at the beginning of 2023. We sincerely hope the introduction of the Department for Energy Security and Net Zero will bring the necessary strategic and joined-up approach required to effect real and significant change.

We're pleased to be sharing this report with our peers across the industry and we warmly invite you to share your questions and comments on the findings.

# Introduction

Gavin Smart,  
Chief Executive, Chartered Institute of Housing



With 20 per cent of UK carbon emissions linked to the residential sector, the current cost-of-living crisis is a stark reminder of the need to move to net zero carbon as fast as possible, retrofitting homes so that they are no longer leaking energy. People on the lowest incomes are disconnecting their gas or electricity and unable to afford to cook hot meals for themselves and their children.

Even with the government's energy bills support, over seven million households were in fuel poverty this winter. The best way to reduce the amount people must spend to heat their homes, now and in the future, is to invest in energy efficiency measures. That is why Chartered Institute of Housing (CIH) are urging the government to increase investment in energy efficient homes to enable the social housing sector to improve the quality and insulation of existing homes, all of which will add to the government's growth agenda.

Nevertheless, the sector is moving in the right direction, engaging with the mechanisms available to lower carbon emissions through building future-proof new homes and retrofitting existing housing stock.

The findings and recommendations in this report offer excellent insight into how housing providers can effectively work towards decarbonisation action plans with residents. It addresses the levels of knowledge, experience, and opinions of decarbonisation measures to create shared understanding and solutions. The potential for disruption cannot be ignored, and residents must be consulted with in a clear and timely manner that is appropriate and bespoke to them.

Reaching net zero by 2050 will not happen unless landlords and residents work together to drive the systemic and behavioural changes required. Residents will be looking to their housing providers for answers on how new technologies will operate and benefit them within their home and help mitigate the worst impacts of climate change and the cost-of-living crisis.

This report demonstrates commitment to tackling the climate emergency and highlights the importance of genuine collaboration and cooperation between landlords and tenants.

CIH are pleased to be involved in this important work by Orbit Group. As the professional body for housing, it's our role to help make a positive difference across the sector. We want to provide everybody working in housing with the skills and knowledge needed to deliver on decarbonisation goals to ensure that everybody has an affordable, warm, safe place to call home.

# About the research

## Context

This report revisits and builds on the initial baseline study conducted by Orbit in partnership with the Chartered Institute of Housing in 2021, with the following aims:

- Track changes in customer awareness levels and behaviours from 2021
- Secure a better understanding of the impact of the energy and cost-of-living crises for our customers
- Assess the appetite for different retrofit measures and inform where awareness-raising efforts would be most valuable
- Deliver insight that will enable Orbit (and the wider sector) to successfully engage with customers on the subject of net zero carbon



## Approach

A telephone survey conducted with a representative sample of 700+ customers in August and September 2022. This is the second wave of Orbit's Net Zero Carbon research with the first wave conducted in summer 2021.

The telephone interviews were conducted by Marketing Means an Independent Research Company commissioned by Orbit's In house Research and Insight Team. Marketing Means are members of the Market Research Society.

The sample was stratified to ensure that responses received were representative of Orbit's customer base in terms of tenure; geographic location; household size; age and ethnicity.

The survey results have a 95% confidence level and a 3.6% margin of error.

Where customers gave express permission, Orbit's Research and Insight Team have appended additional data variables to provide a deeper level of insight and understanding.

# Executive summary



There were four key learnings from our report in 2021:

- Energy affordability was identified as a critical issue by our customers
- Customers expected Orbit to take the lead in reducing its environmental impact
- Knowledge and understanding around 'net zero carbon' was limited, but there was a desire to practice environmentally friendly behaviours across the customer base
- Customers wanted more information about the benefits of adopting environmentally friendly behaviours

Since then, the economic backdrop has transformed. A year ago, switching energy tariff was still a viable prospect for many customers to save money on their bills. Fast forward 12 months and the energy price guarantee has set a cap on the price of energy that negates this as every supplier essentially charges the same (minus any variations in standing charges).

So, in this very different climate, what were the key learnings of our latest research?

## We're in danger of fuel poverty becoming a societal norm

Customers are really struggling financially - for 64% money is tight or insufficient to cover expenses and this was before the new energy prices came into force in late Autumn 2022. 80% are spending more than 10% of their income on energy costs compared to 71% in 2021.

There has also been a 50% increase in the number of customers going without heat to save money in the last 12 months.

## Awareness and understanding of net zero carbon as an issue hasn't improved significantly

Understanding of the term net zero carbon remains mixed - we still have some way to go to communicate this information in a way that resonates with our customers.

In line with the 2021 results, younger customers appear less concerned about climate change, have less understanding and knowledge about net zero carbon, and are less inclined to want to change their personal behaviours - we will need to make a compelling case to get younger customers on board.

## In the context of an economic crisis, behavioural change in line with net zero carbon goals will largely be driven by understanding the personal benefits

Despite the cost-of-living crisis, it is encouraging that the majority of respondents to the research still want to change their own personal behaviours to become more energy efficient. However, in the face of more immediate pressures, reaching the one in four who still aren't interested is going to be more difficult.

There is an even greater need to ensure that customer communication about net zero carbon is firmly rooted in the benefits for each customer or household. Being able to articulate the benefits in a way that resonates with different customer groups will require sustained and deeper engagement.

Section One

In crisis – a new context for net zero housing ambitions



Things have changed considerably since the publication of our last report.

Energy prices began to climb in the final quarter of 2021 but the war in Ukraine escalated the issue into a full-blown crisis.

Naturally this has forced governments around the world, including here in the UK, to focus on both affordability and security of supply, with these urgent objectives taking precedence over longer term goals. However, the very fact that the price of energy has been centre stage has forced everyone to think more carefully about how it is generated and how much they use.

But rising prices have not been limited to energy bills, with inflationary pressures seeing the price of food, petrol and other everyday costs rapidly increase. As the research reveals, the squeeze on household finances has had a tangible impact and customers across the board are struggling more now than they were compared to data we collected in 2019.

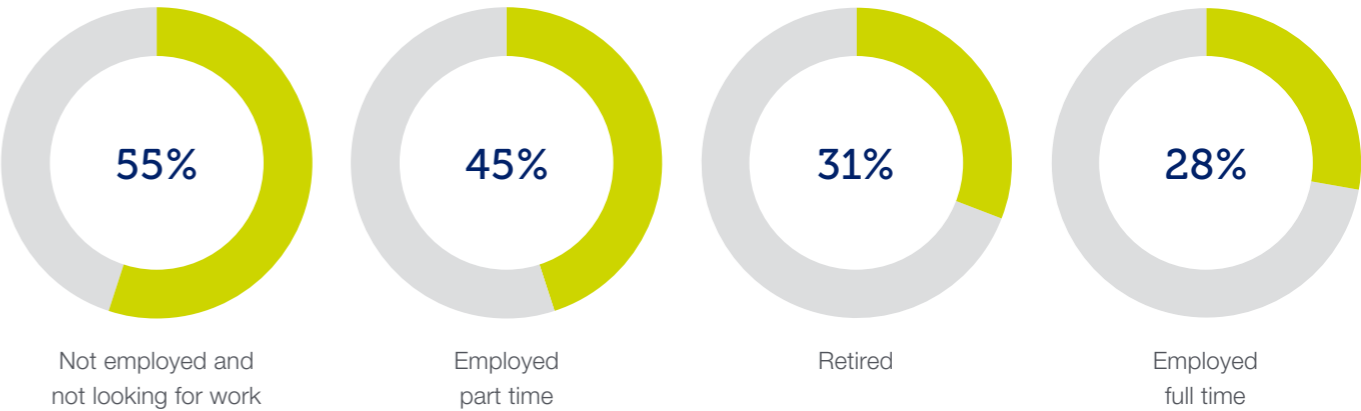
While owners are still more likely to live comfortably compared to renters, the financial situation of all customers has deteriorated in the past couple of years.

Our data reveals that **more than a third of people living in affordable housing went without heat during the past 12 months to save money.**

When we take a closer look at who this is affecting it is clear the problem is widespread.

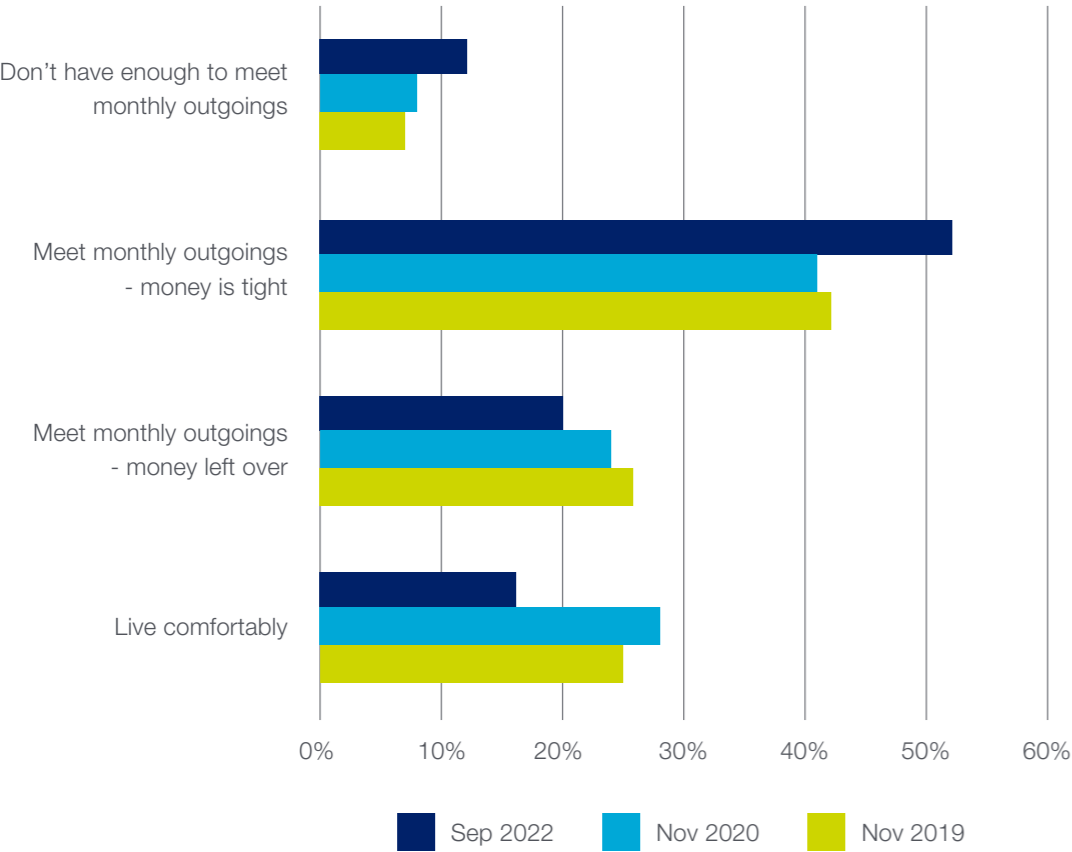
**It is also important to note that this research was conducted before October 2022 and therefore predates the point at which the sharpest increase in energy costs really took hold.**

In the past year, have you ever gone without heating to save money? - Yes



**64%** say money is either 'tight' or they 'cannot meet monthly outgoings'

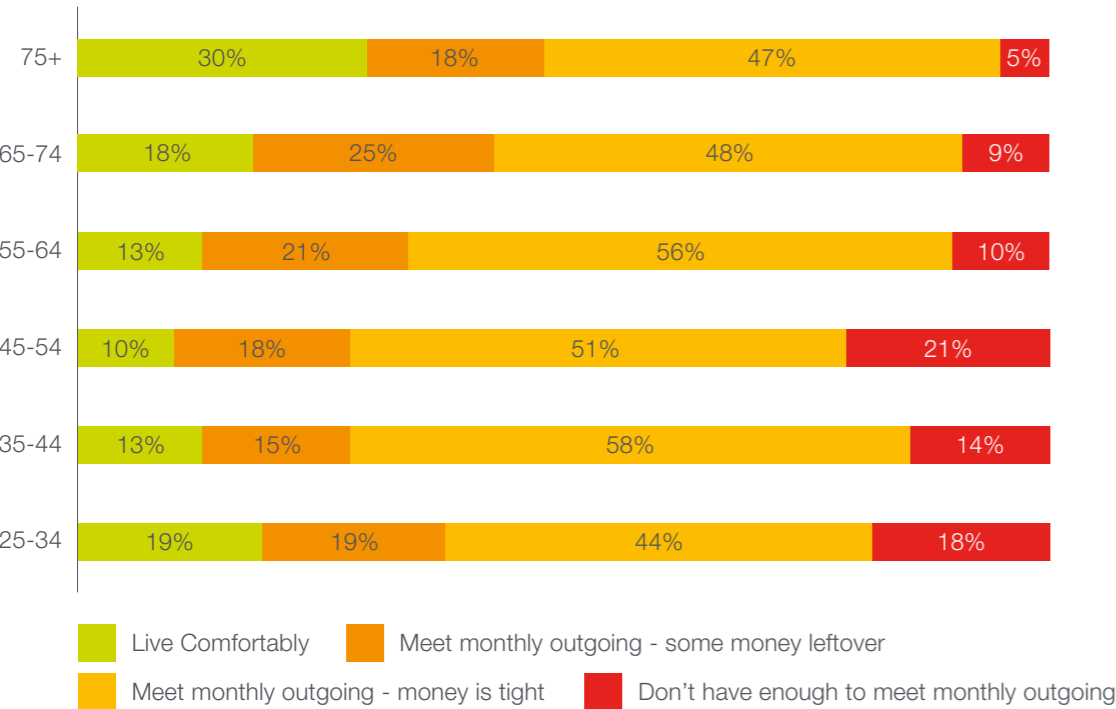
How would you describe your current household finances?



Orbit have tracked finances using a standard question since 2019

Financial status - Age group

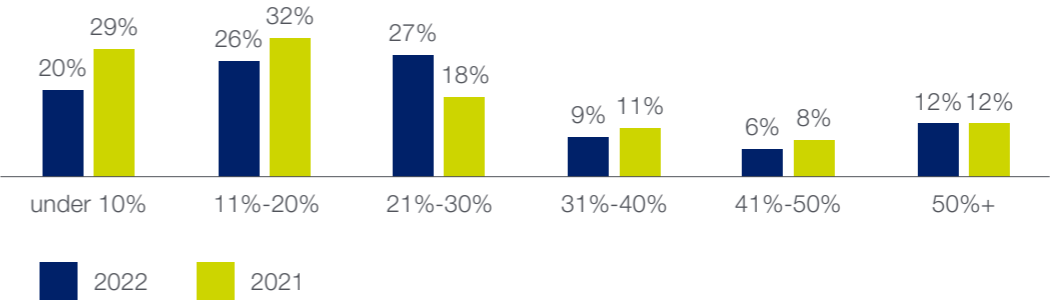
Over 75s have the healthiest financial position, while the ‘squeezed middle’ of 45–54-year-olds are struggling the most.



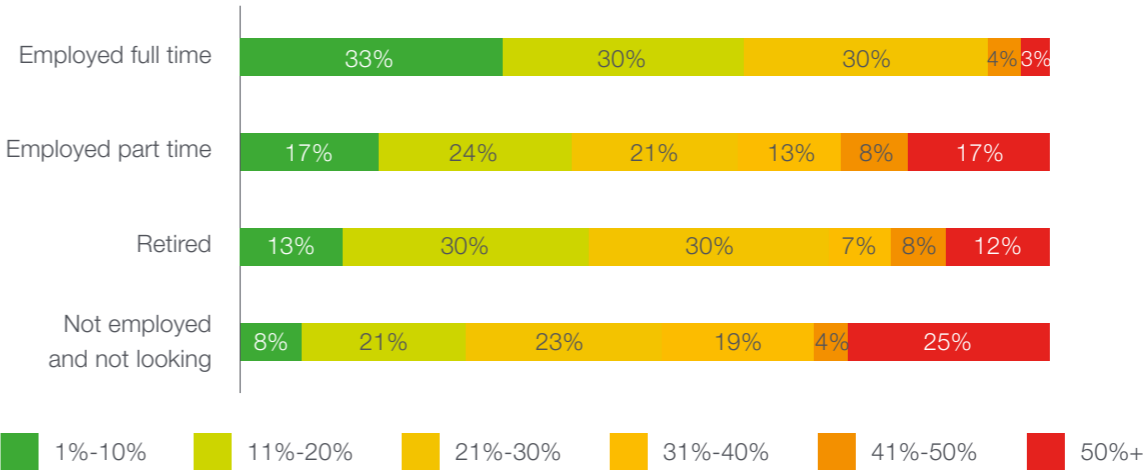
The creep of fuel poverty

In what has been a volatile energy market, 44% of respondents to the research said that they did not know how much they were spending on energy, but of those that did, 80% said it was more than 10% of their income and one in ten said it amounted to half of their income.

% income spent on energy monthly



This was even higher for respondents who are unemployed and not looking for work, with one in four spending more than 50% of their monthly income on energy. This is more than eight times that of fully employed respondents and double that of retired respondents.

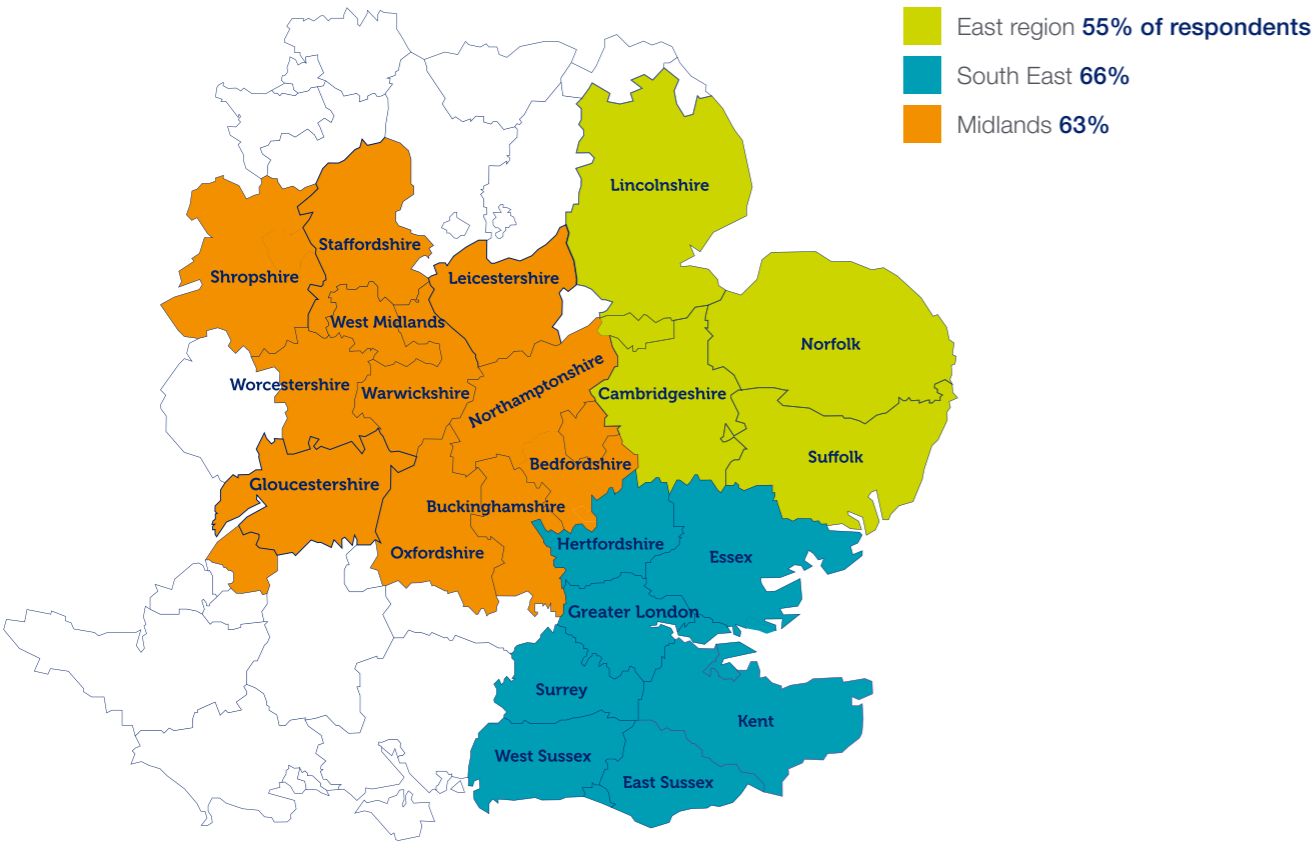


From the data, it has been possible to create a fuel poverty proxy indicator, combining households who have said they have gone without heating in the last 12 months to save money and/or are spending more than 10% of their income on energy. The results are cause for serious concern.

**We estimate that 66% of households in the South East included in this survey would be deemed fuel poor. Although official DESNZ and BEIS fuel poverty statistics are based on a different metric that is not significantly affected by fuel prices, this estimate is still eight times higher than their data would suggest. There is a similarly worrying picture in the West Midlands and the East of England, with 63% and 55% of households involved in the survey in fuel poverty.**

Annual Fuel Poverty Statistics LILEE Report 2023 (2022 data)

Estimated % of fuel poverty among Orbit customers:



“ The changes in customer behaviour since our last report, most notably the increase in those going without heating to save money, underlines how significantly they are experiencing financial pressure. ”

Lucy McGovern, Head of Thriving Communities at Orbit

Better days ahead

In November 2022, Orbit launched its Better Days Winter Wellbeing campaign focused on supporting customers with the cost-of-living crisis, of which energy is a key focus area.

This campaign has three core parts:

- 1) A telephone energy advice service for residents in crisis with their energy bills
- 2) The distribution of 1,000 winter warmth packs each worth £50
- 3) 50 Better Days energy events around its regions.



Section Two

# State of High Alert?

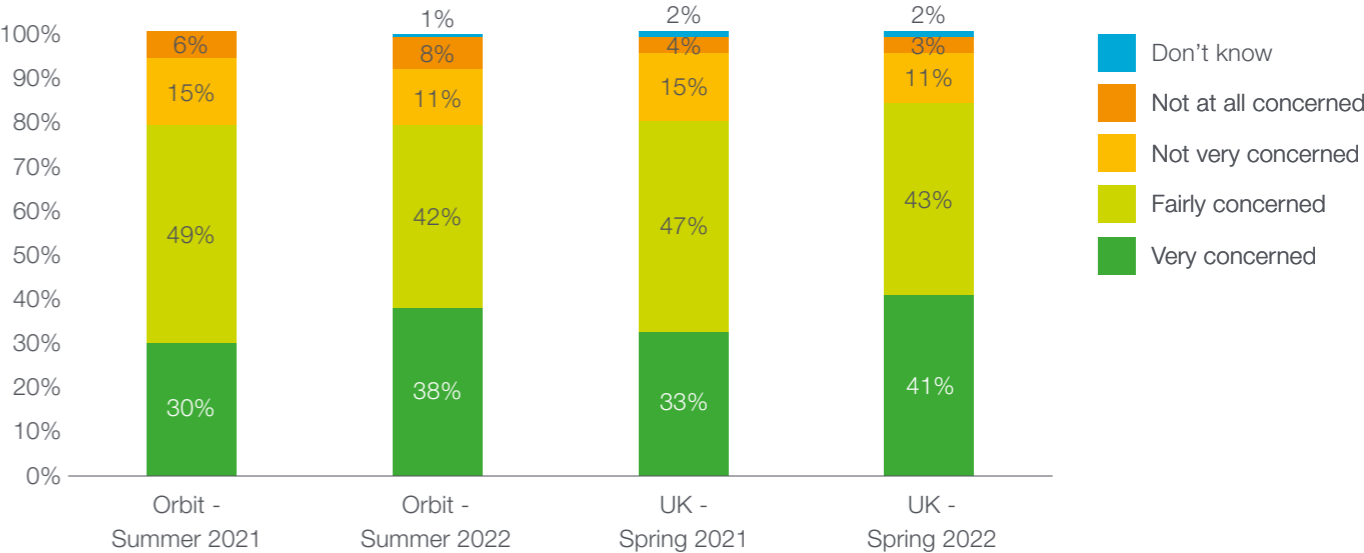


Has the focus on rising energy prices since the final quarter of 2021 increased customer awareness levels around the subject of net zero carbon?

The short answer appears to be no, with the data revealing only marginal increases in concern regarding climate change compared to 2021.

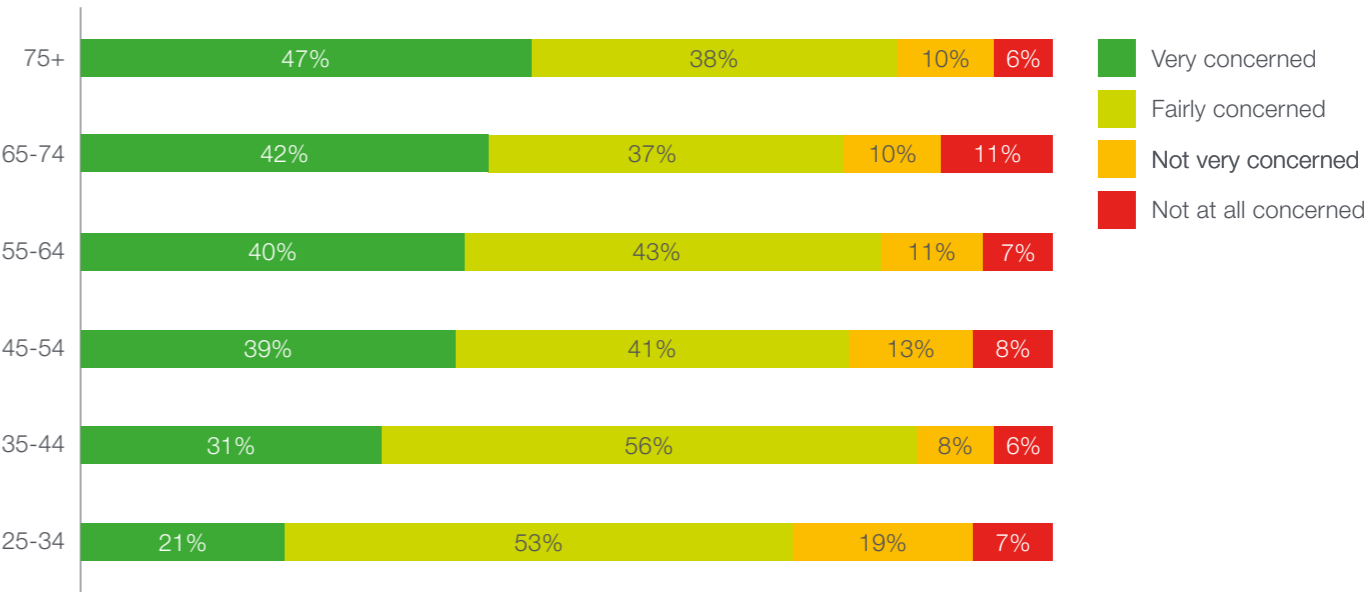
Younger people continue to be the least concerned about climate change, reinforcing the case for identifying more effective ways of reaching this demographic group.

Concern about climate change - UK vs Orbit population



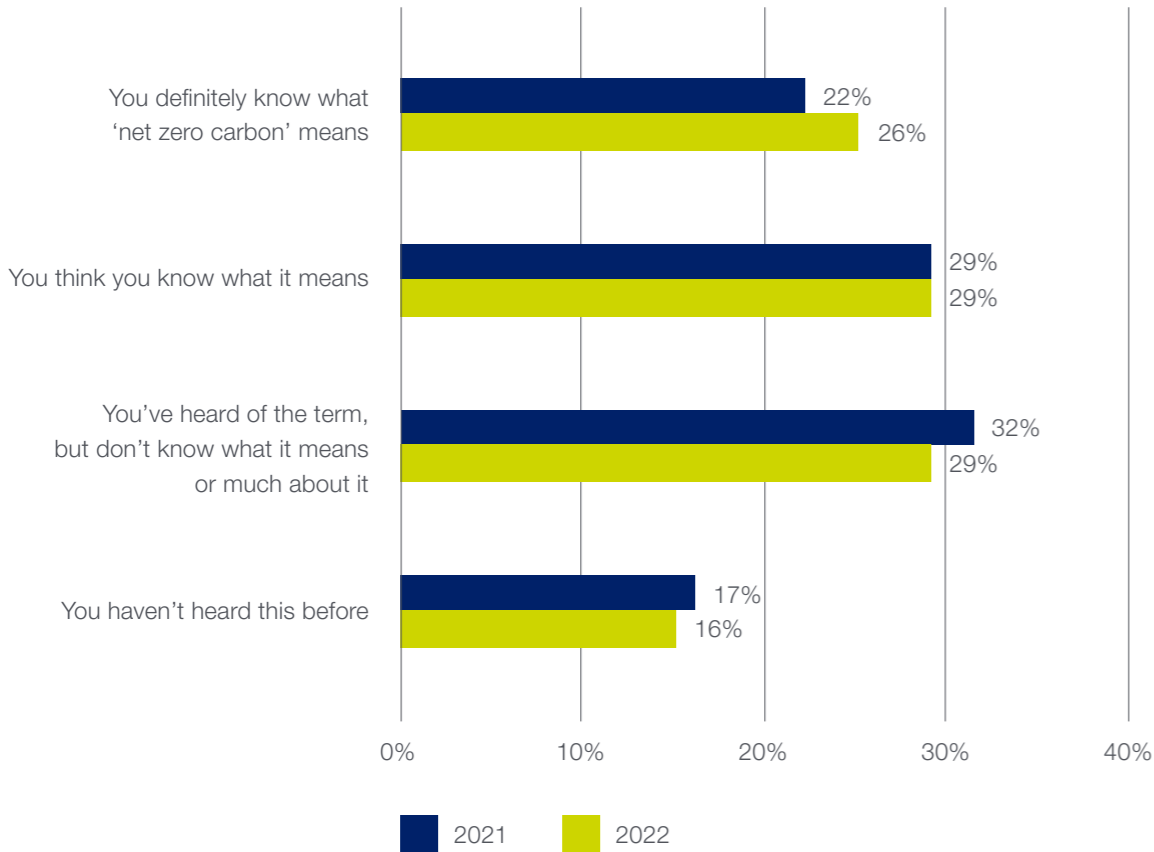
BEIS data - Public Attitudes Tracker - source for the UK comparable data

Concern about climate action - Age Groups

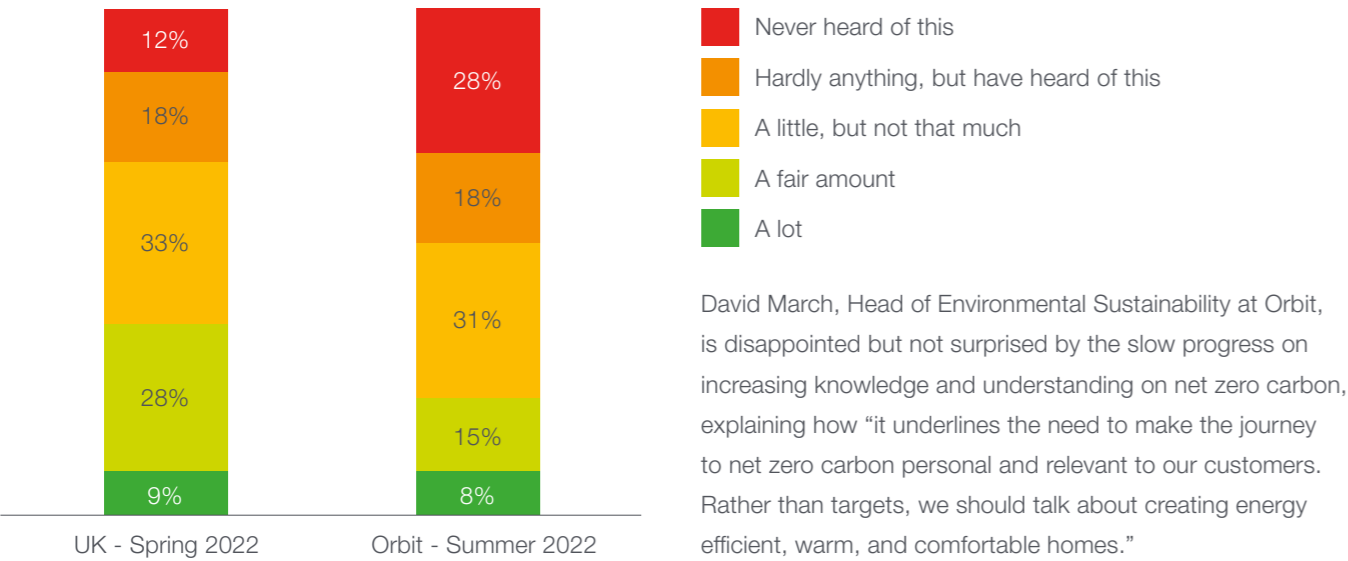


Understanding of the term ‘net zero carbon’ remains mixed but is slightly higher than last year. Equally, respondents have less knowledge of government 2050 net zero goals versus the UK average. It remains to be seen if this will change in the coming months as an environment of high energy prices and continuing concerns around continuity of supply persist.

Understanding the term ‘net zero carbon’



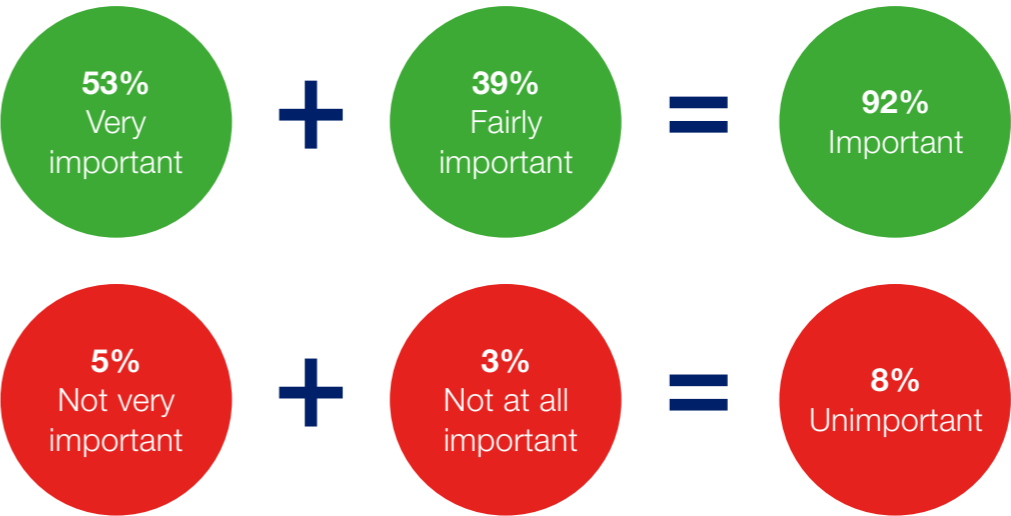
Understanding of UK 2050 Net Zero Goals - UK vs Orbit population



Connecting with customers

In line with last year’s findings, the overwhelming majority of respondents believe that Orbit’s decisions should protect the environment. This sentiment was even stronger among older respondents \*.

Orbit’s decisions should protect environment



“Our customers are looking to us to take the lead by making decisions that protect the environment.

However, we know from experience that customers are more likely to engage fully when they feel part of the decision-making process. We are working hard to embed this sense of ownership and empowerment in our customer engagement.”

Charley Gibbons, Director of Customer Experience at Orbit



What type of information are customers seeking?

- Simple tips on making the home more energy efficient – **59%**
- Ideas on how to save water, especially hot water – **50%**
- Recipe ideas to reduce food waste and cook on a budget - **44%**

It is perhaps not surprising to see the areas most closely linked with the rising cost of living as the main areas where respondents want additional information and guidance.

Preference for receiving information



Phone call  
**2%**



Letter  
**44%**



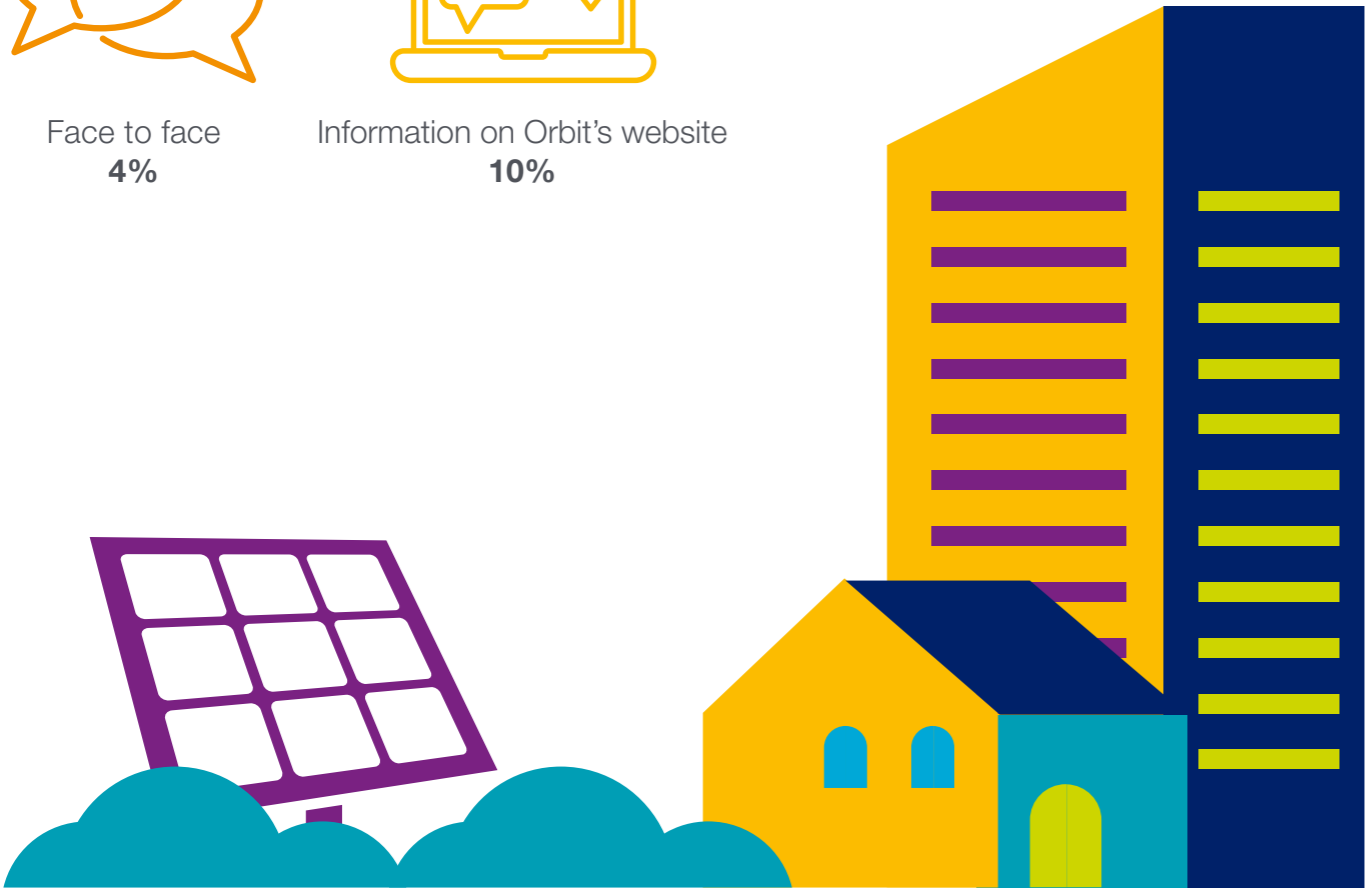
Email  
**40%**



Face to face  
**4%**



Information on Orbit's website  
**10%**



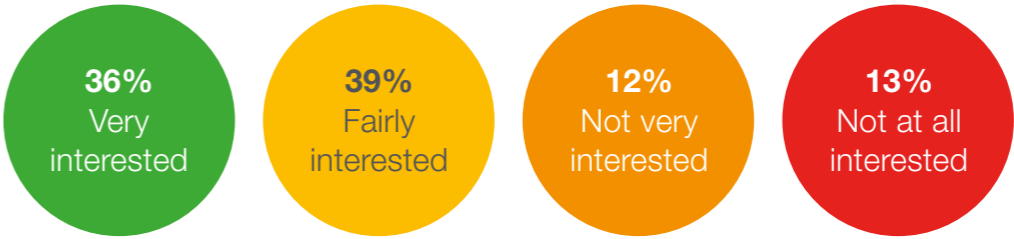
Section Three

# Ready for Change?



In such an uncertain economic climate, how willing are social housing customers to embrace changes that will help achieve net zero carbon targets?

75% are interested in changing their behaviour to become more energy efficient.



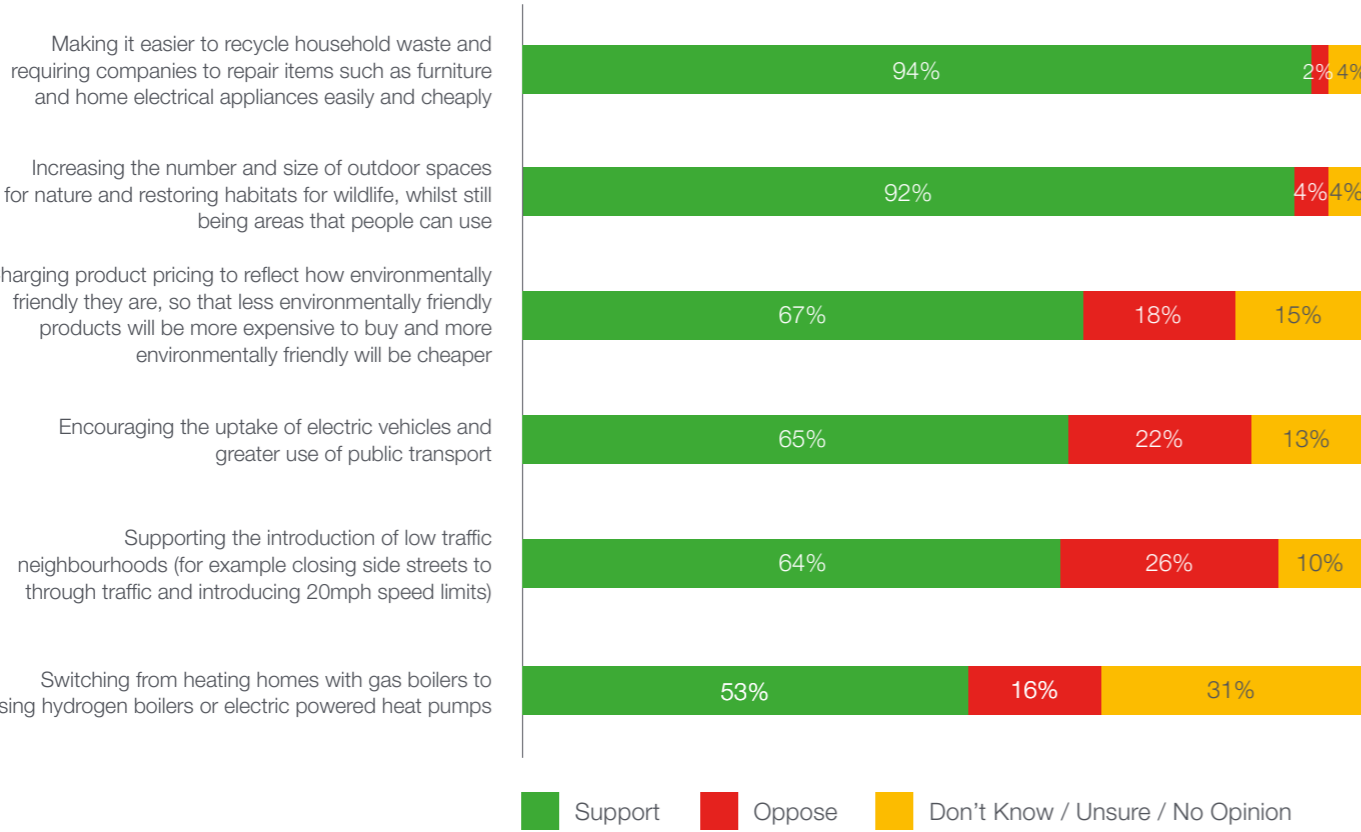
In terms of commitment to changing behaviours, year on year, the biggest change is in those eating less meat, fish, and dairy products, with many doing so for financial reasons.

Other marginal increases were seen in those growing produce, driving hybrid or electric vehicles and saving water. However, respondents revealed the reasons behind these behaviours are a combination of protecting the environment, saving money and other factors.

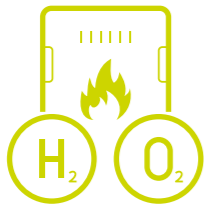


We asked respondents to indicate how supportive they would be of a range of government policies. There was strong support for recycling and increasing outdoor spaces, but greater reticence about the introduction of low traffic neighbourhoods.

**Responses to the questions: *To achieve the UK government net zero carbon target, there will need to be a number of government policies put in place. Would you support or oppose the following policies?***

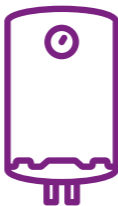


The move away from gas boilers\*



Orbit 2022 - Switching from heating homes with gas boilers to using hydrogen boilers or electric powered heat pumps

53% Support 16% Oppose



UK 2021 - Phasing out the sale of gas and coal boilers

62% Support 17% Oppose

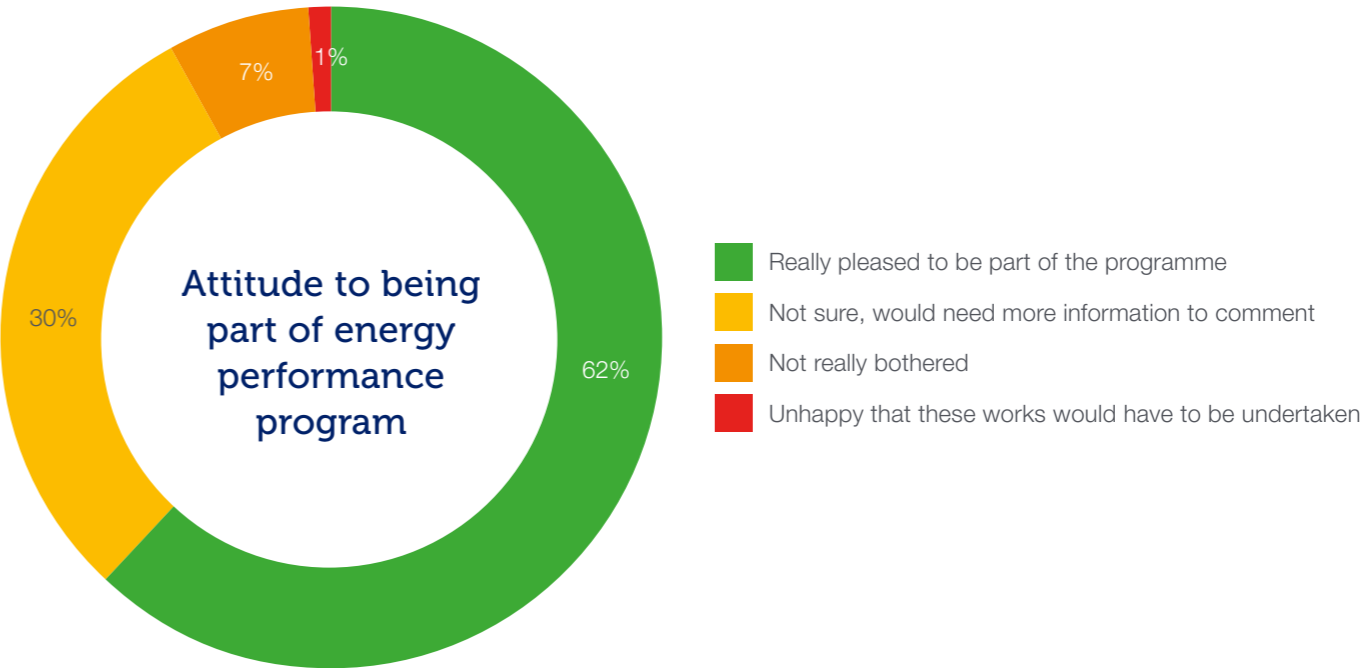
Source - IPSOS Mori Knowledge panel

Director of Customer Experience, Charley Gibbons, believes these findings are particularly instructive for shaping future communications: “As social housing providers we must approach this issue with the starting point of ‘what’s in it for the customer’. If we start with what’s important to them, we can win their confidence and engage with them on net zero carbon issues in a meaningful and relevant way.

“Since the pandemic, the home has become even more central in people’s lives, and we must acknowledge and respect that in the way we approach any requirements for them to make changes.”

Response to retrofitting

Most customers said they would be pleased to be part of Orbit’s retrofitting programme to make their homes more energy efficient, but a third want more information about these works before confirming that they would welcome such measures in their own home. This is a further ringing endorsement of the need for continuous communication with residents.



## Section Four

# Towards 2030 and a net zero carbon future



We have identified four key areas of focus for the sector, as we collectively push ahead with our large-scale programmes of energy efficiency works:

### 1. Commit to acknowledging and understanding the complexity of the challenge

There are no short cuts or silver bullet solutions when it comes to achieving net zero targets. This is a multi-faceted challenge, requiring a carefully-considered, integrated approach from Government, the social housing sector and our supply chain.

The cost-of-living crisis has brought further complications, with many households now forced to make changes for financial reasons. As Lucy McGovern explains: “our research shows a significant uplift in the number of people eating less fish and meat, but delving into the drivers behind this behaviour and it is evident that most are doing this to save money, not the planet.”

We must consider the differences in knowledge and understanding across our customer base, as well as their individual attitudes and behaviours around net zero carbon issues. Demographic factors have a significant role to play, with age, employment status and household income – to name but a few – all influencing the ability and appetite to embrace change in this area. And yet, as Charley Gibbons articulates, change on a monumental scale is what’s required to meet net zero carbon targets:

“We cannot ignore the fact that the solutions to climate change are expensive, radical, and intrusive. That might sound negative, but it is simply being realistic. Accepting that as a fact is empowering as it allows us to move forward in a more purposeful way.”

### 2. Listen and learn from our customers

Last year’s report outlined details of a £3.6 million Orbit project, which has received £1.45 million in government funding, to make 69 homes in the Stratford-upon-Avon area more energy efficient. The Social Housing Decarbonisation Fund Demonstrator provides a vivid illustration of the practical challenges and costs of achieving net zero carbon emissions.

“It has proved hugely instructive in helping us to improve the way we approach retrofitting”, Jeanette Hodges, Head of Carbon and Operations at Orbit, explains. “We now understand at a granular level of detail what the ‘unexpected’ might look like in undertaking these works. We know the size, scale and costs involved of the task ahead as we move from pilot phase to rolling it out across our entire housing stock. That’s an incredibly important milestone to reach.”

Not only has the demonstrator project provided insight on the works themselves but it has also helped to shape more effective customer engagement. Key learnings include:

- **Each household has its own individual needs** and concerns and so there must be space to acknowledge and address these as part of the communication process. This is no time for a ‘one size fits all’ approach.
- **Peer-to-peer communication is incredibly powerful** in engaging customers in the retrofit programme, so much so that it’s helping to create demand.

“Customers sharing their personal experiences of having these works done is more likely to resonate than a ‘sales pitch’ from a project team”, says Jeanette, “and now we talk about making improvements to their homes that will make them fit for the future – homes will stay warmer for longer, be more comfortable....cooler in hotter months and better ventilated improving air quality.”

3. Educate, engage & empower

By listening to our customers, we can find out what really matters in their lives. Only then can we engage with them on the changes required to meet our net zero carbon targets in a way that will resonate.

“We are in a cost-of-living crisis and that’s the here and now for our customers. 2050 government net zero targets are a long way off and therefore don’t demand their attention in the same way. We must focus on what customers are interested in first to win their trust and confidence. Being successful in our engagement is about making it personal”, explains Charley Gibbons.

It is clear from this research that if customer communications around the retrofitting programme focus on net zero carbon as a driver to engage customers, it would be a struggle to gain traction, whereas strong messaging around the environment and energy affordability would resonate.

“We have tested this and found this to be very much the case”, says David March. “In a series of roadshows and webinars over the past year we have always found that customers are more inclined to buy into messages that have a clear call to action and personal benefit. We now know that our messages need to be simple and more practical, with a call to action for our customers where they can see the benefit in it for them and their local environment.”

Going forwards, we will continue to listen and learn from our customers and incorporate this approach in our retrofitting works:

- Ensuring regular and understandable communication
- Providing samples and imagery to help customers visualise the improvements
- Providing demonstrations on how to use new appliances
- Opening a whole house retrofitted property for customers to explore
- Recruiting ‘customer champions’ to offer peer to peer communications

This is all aimed at helping customers feel involved in the decision-making process and to ensure they are aware and comfortable with the changes that are taking place – particularly those who may need additional support when introducing new technology into their homes.

4. Collaborate

Much of our progress to date has been borne out of effective collaboration and knowledge sharing with a wide range of partners from within the sector and throughout the building and low carbon supply chain. The current funding framework creates a competitive environment at a time when we are all figuring out what best practice looks like whilst also navigating a skills shortage in this sector. This creates something of a catch 22 situation and should be addressed. In the meantime, we must commit to working collaboratively on the finer details to find solutions more quickly.

Factors outside our control – what needs to change?

There is only so much that the sector and our wider network can do to effect real change and deliver progress against the long-term net zero carbon goals. For this to be achieved, policy and regulatory change is needed in a number of areas:

- **Clarity on the goal:** More support for the sector in the form of practical guidance and clearly defined universal measures and standards would help to ensure that everyone is on the right path and can invest accordingly.
- **Removing the administrative obstacles:** From the demonstrator project, we have seen the impact of red tape on delivery timescales. Streamlining both the planning process and simplifying the complexities of the VAT system would alleviate some of this burden. What’s more, the structure of the funding framework is in danger of encouraging bad decision-making by not allowing enough time to choose an approach that might take longer but deliver much greater benefits.
- **Investment in green skills:** New low carbon technologies will play a vital role in transforming our housing stock. However, this requires a strategic approach that is backed by the necessary investment to ensure that we have a skilled industry geared up to meet demand over the next few decades.
- **Amplifying the message and dispelling the myths:** Through programmes like Orbit’s **Better Days** initiative, we can help to educate households about net zero carbon and the changing behaviours it requires. However, the government has an important and ongoing role to play in helping to amplify this message and dispel myths that make it more difficult for us to engage with customers and get them onboard with our energy improvement programmes.

It was hugely encouraging to see many of these requirements outlined in the recent Net Zero Review and we sincerely hope that we will see these pledges swiftly materialise into new regulation and policy.



# Acknowledgments

## Contributors



**Paul Richards**  
Group Director of Customer and Communities at Orbit

Paul has worked successfully in customer-focused roles in both the public and private sectors. At Orbit he is responsible for maintenance and core operations as well as customer service.

Since joining Orbit in January 2016, Paul has prioritised improving Orbit's relationship with customers. In 2018 Paul also led Orbit's national campaign dedicated to tackling the issue of child poverty.



**Charley Gibbons**  
Director of Customer Experience at Orbit

Charley is responsible for ensuring customers help shape the services they use. His teams manage engagement and communications with customers and a range of services that create thriving communities.

He joined Orbit in March 2015 with a portfolio including strategy and brand. Prior to that he worked in the voluntary sector with Citizens Advice. In 2018, alongside his colleague, Jessica Marshall, he helped to launch the Orbit Earth programme.



**Jeanette Hodges**  
Head of Carbon and Operations at Orbit

Jeanette has wide experience leading major transformation programmes and has over 5 years' experience in the housing sector. Jeanette is leading Orbit's transition to Net Zero Carbon in its residential portfolio and is the Project Lead for Orbit's Social Housing Decarbonisation Fund Programme of works.

She is passionate about creating warm, affordable homes for customers, with technology that is easy to use, and was recently named a Climate Change Power Champion in the Unlock Net Zero Awards. She chairs Orbit's Carbon Forum, which was set up to create a long-term roadmap for the business to help tackle its own carbon footprint.



**David March**  
Head of Environmental Sustainability at Orbit

David joined Orbit in January 2021 to lead the Group's environmental sustainability strategy. Prior to that, David was Group Environment Manager at ENGIE, leading the UK development of the energy utility's net zero carbon and zero waste strategies.

He is responsible for Orbit Earth which is a central part of Orbit's 2025 strategy and ESG approach. It seeks to drive the transition to net zero carbon across the Group and to enable our customers and supply chain to achieve the same. The programme also aims to enhance the quality and biodiversity of our outdoor spaces and to promote sustainable consumption of resources.



**Lucy McGovern**  
Head of Thriving Communities

Lucy joined Orbit in 2019 with over a decade of experience in Local Government and a background in delivering large scale funding programmes covering regeneration and community development in both the voluntary and public sector.

Lucy leads the implementation of Orbit's Thriving Communities Strategy which is improving the quality of life of customers by investing in the environmental, economic and social wellbeing of communities. Via the Better Days programme, Orbit invests around £3m per year into universal services available to every customer, designed to support financial inclusion, mental wellbeing, employment and skills and digital support.

Research commissioned and managed by Orbit's in-house Research and Insights Team.

# Sources

MISSION ZERO Independent Review of Net Zero Rt Hon Chris Skidmore MP (2023)

IPSOS Knowledge Panel (2021)

Working with customers to make net zero carbon a reality (2021)

DESNZ and BEIS Annual Poverty Data (February 2023)

# About Orbit

Orbit is one of the UK’s foremost housing groups, creating thriving communities within a growing portfolio of over 46,500 affordable and social rent homes largely throughout the Midlands, East and South of England. For over 50 years we’ve been a force for positive change, particularly during the country’s continuing housing and residential challenges.

We manage a portfolio of high quality, sustainable homes to over 100,000 customers in differing stages of life, from first timers to enhanced supported living, and are one of the largest builders of affordable homes in the UK.

Our vision is to lead in building thriving communities, and we believe everyone is entitled to a good quality home that they can afford in a place that they are proud to live.

We invest over £5 million each year in our communities to make a positive difference in people’s lives. Through our social value programme, we work to create a better society, building affordable homes and doing business in more socially responsible and sustainable ways while lessening the impact we have on our environment, customers, employees, partners, suppliers, investors, and funders.





[orbitgroup.org.uk](http://orbitgroup.org.uk)



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**building  
communities**



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