



# Warmer Homes Scotland

Annual Report 2021/22

Serving homes, families and  
communities in a changing world.



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# Foreword

**Ross Armstrong**  
Warmworks' Chief Executive

It's been another busy year for Warmer Homes Scotland, with the continuing unpredictability and turbulence caused by the ongoing pandemic set in a wider context of escalating concerns from our customers about rising energy prices.

It's very clear now that there are difficult times ahead for those households in or at risk of fuel poverty; households that were already struggling with bills and the need to stay warm in their homes even before the latest round of price increases. The role that can be played by energy efficiency and renewable technologies is coming into ever sharper focus.

That's why it's so encouraging that even in challenging circumstances, the scheme has been able to make a significant impact over the last twelve months. With over 5,000 more households supported with energy saving improvements that will help them to better manage their energy costs and more than 27,000 households now helped since the scheme started in 2015, the scale of what we've achieved remains impressive in its own right. On top of that, this report also sets out the wider social benefits that are created by the scheme's work, in terms of jobs, better physical and mental health and boosts to local economies.

None of the results that we achieve or the impact that we make would be possible without our supply chain of registered sub-contractors. This report provides more examples of the companies, the individuals and the performance levels that exist in our supply chain, which has achieved record quality and inspection pass rates in the last twelve months despite having to adapt to the practical realities of working at scale during a global pandemic. We are grateful to our supply chain partners for their professionalism, care and enthusiasm in maintaining such high standards over the last twelve months.

The statistics and numbers in this report bear witness to the scale of what has been delivered over the last year, not least the important milestone that Warmer Homes Scotland installed more renewable technologies in the



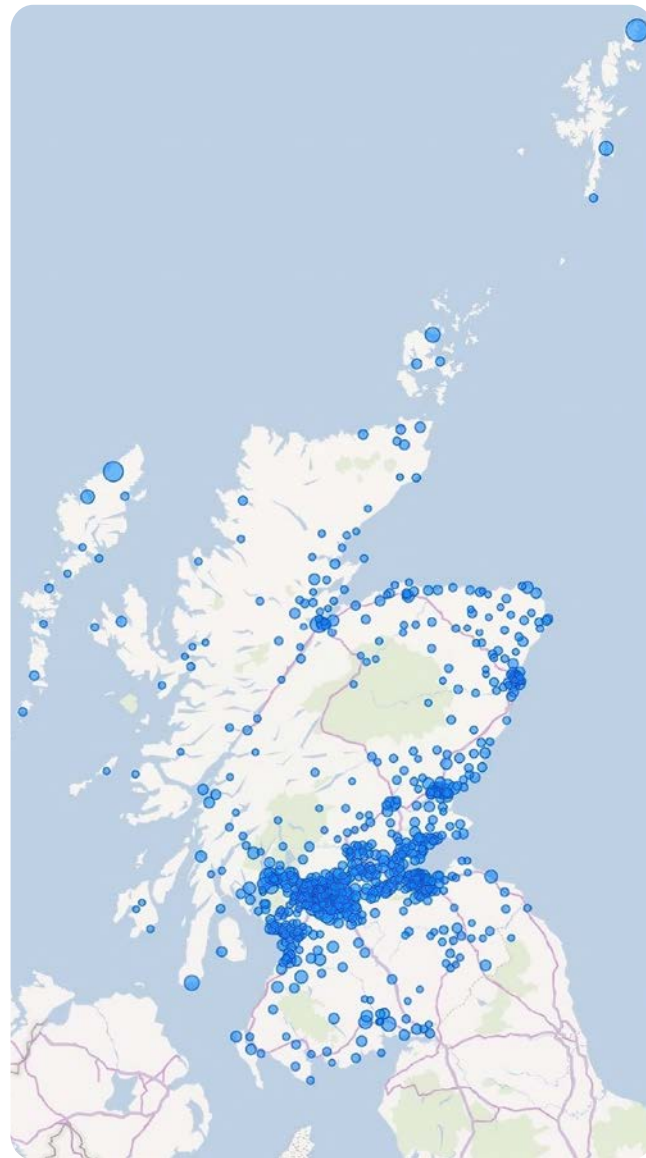
last twelve months than at any other point in the history of the scheme, as we continue to ensure that our teams and our supply chain can deliver the decarbonised heating solutions of the future. However, equally if not more significant are the stories and the case studies from our customers, our installers and the young people that have taken opportunities for jobs and apprenticeships under the scheme. The stories in this report are just a small selection of the examples that we hear every day – lives that have been changed, jobs that have been created and futures that will be shaped by having been part of the scheme's delivery.

Looking ahead, it's clear that things are not going to get easier. In fact, the unarguable reality is that the work that we do under Warmer Homes Scotland has never been more significant, more urgent and more impactful than it is now. The scale of the emerging energy crisis has still to be fully understood, but we already know that the impact will be disproportionately felt by those most in need. Our job is to continue to work with our partners, our installers and our local communities to maintain our focus on providing a high-quality service for those who need our help – a trusted service that can deliver some answers to the impossible questions that are being posed in people's lives.



# Highlights & headlines from 2021/22

These statistics highlight the impact that the Warmer Homes Scotland scheme has made in the last year alone. However, it's important to remember that the energy saving improvements installed under Warmer Homes Scotland will last for up to 25 years. This means that the financial and carbon savings shown below will be even greater across the lifetime of those measures, representing a significant return on investment.



The national Warmer Homes Scotland scheme helps people right across Scotland to stay warm at home, manage their energy costs and improve their energy efficiency. For the sixth consecutive year, Warmworks carried out surveys and installed and inspected energy efficiency measures in homes in all 32 of Scotland's Local Authorities. The map above shows where in the country our installations took place in the last year (larger dots are representative of a higher number of installations in that particular area).

5,311

households across Scotland received support through the Warmer Homes Scotland scheme between 1 April 2021 and 31 March 2022

These homes saved on average

£226

against their energy bills through the energy efficiency measures delivered under the scheme, which is equivalent to total annual savings of more than

£1.08 million

426

of the homes referred to the Warmer Homes Scotland scheme this year were previously in SAP Bands F or G, the least energy efficient housing in the country.



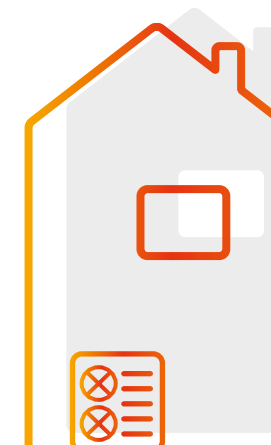
The average increase in the SAP rating across all homes that received at least one energy efficiency measure under the Warmer Homes Scotland scheme this year was

7.1 points

The scheme is helping to support the transition to net zero, with a focus on delivering renewable heating technology in our customers' homes where possible. Between 1 April 2021 and 31 March 2022, more air source heat pumps were installed under the Warmer Homes Scotland scheme than in any other year, with

248

homes benefitting from this form of renewable technology.



More than

5,560 tonnes

of CO2 were saved through energy efficiency improvements installed, which is equivalent to taking 1,200 cars off the road, or the emissions from charging more than 677 million smartphones.

We have now created more than

150 apprenticeships

within Warmworks and across our supply chain, which are roles that will provide training opportunities and additional skills – creating green jobs for the future.

Warmworks retained its status as a Living Wage Employer, and every one of our 24 registered and accredited sub-contractors pays their staff at least the Living Wage for working on the Warmer Homes Scotland contract.



# Our customers – what they say

At the heart of Warmer Homes Scotland are the customers who rely on the scheme's support. Many of them have told us about the real and often life-changing benefits the scheme has been able to deliver for them this year.

From creating savings in their energy bills, to meaning they no longer have to rely on thick clothing to stay warm at home, the scheme is making a significant impact in the lives of people across Scotland.



“Being able to have a bath without having to wait for an immersion tank to heat up is just bliss! For the first time in a long time, I slept for a solid six hours. It is so lovely to have running hot water and heating that comes on automatically depending on the setting of the thermostat, which I can control. I no longer dread the winters!”

**Mrs F, Glasgow**  
Installation in August 2021



“Since having the work done, I've had the heating on twice. As soon as it goes on, my whole house is absolutely roasting, the heating has never been like this. I worry less about future bills, knowing that it's all looked after and it's not going to be a big bill that I will have to find the money for. It does give you more peace of mind, knowing there's a big thing already sorted.”

**Mrs M, Glasgow**  
Installation in June 2021

“We are already showing reduced bills, but I'll probably see the biggest difference in the winter. The heating itself heats the home more evenly and is very quiet.”

**Mrs G, Inverness**  
Installation in July 2021

“It's a very good system and my heating bills certainly aren't as expensive. Especially the loft insulation, the house is so much warmer. It's definitely given me a lot more peace of mind, and I'm a lot happier.”

**Mrs S, Girvan**  
Installation in June 2021

“I'm looking forward to having a winter – the first in many years – where I don't stress out about the fact that I am freezing in most of the house.”

**Mr N, Cupar**  
Installation in July 2021

“It's definitely had an impact on my wellbeing, as I worry less about the high bills. At least I am now warm and comfortable. Before, I was either cold or I was roasting.”

**Mrs H, Perth**  
Installation in April 2021

# Delivering Warmer Homes Scotland - our installers

Over the past year, Warmworks' network of 24 registered and accredited local sub-contractors has delivered heating and insulation improvements to homes in every local authority area in Scotland.

Our team strives to deliver a first-class service in the homes of our customers right across the country. This is measured by every completed installation having an independent inspection to ensure that it has been carried out in line with the scheme's industry-leading standards. It's extremely important that installations are carried out in a way that provides our vulnerable customers with comfort and reassurance that they are receiving the best possible quality, care and attention. The last twelve months have seen an extremely impressive 99% of those quality inspections achieving a pass at the first time of asking. This result is particularly impactful when set in the context of the ongoing disruption, delays and logistical difficulties posed by the COVID-19 pandemic. It equals our best ever performance in a twelve-month period, and continues the consistent results being achieved on this indicator over the last five years, as shown below:

Scheme year	Inspection pass rate
2017/18	97%
2018/19	98%
2019/20	98%
2020/21	99%
2021/22	99%

Our installers are the critical driver of the inspection pass rate, managing the installation process for our customers from the point of the technical survey visit (where final checks and designs for the work are completed) through to the sign off of the completed improvements. The consistently high scores shown in the table above are a result of the quality of work being completed by our installers and their engineers, as well as the supportive, collaborative and constructive relationships they have built with our health and safety and inspection teams.

In addition to the post-installation quality inspection, Warmworks also undertakes 'work in progress' inspection visits through our dedicated health and safety team. These visits are not intended to catch anyone out or undermine installer confidence, instead they're designed to check that everything is proceeding in line with our high standards whilst the installation is taking place – they're also intended to provide guidance and coaching to installers as to where certain areas of their work can be enhanced or improved, as well as sharing best practice in the field. The table below shows the percentage of these work in progress inspection visits that have been marked 'satisfactory' or better in each of the last three years. The data here shows the strong correlation between performance on work in progress visits and the results achieved in post-installation inspections outlined above.

Scheme year	Safety visit pass rate
2019/20	96%
2020/21	97%
2021/22	97%

We have seen some movement in the number and nature of the companies in our sub-contractor network over the last year. Using our established open procurement approach, Warmworks recruited two new companies to its supply chain in 2021/22; the first to provide additional capacity in the Western Isles and another to provide additional capacity for insulation measures.

The challenges experienced by our installers over the last twelve months in relation to COVID-19 are mentioned above. To highlight the work that our installers do, there are two profiles opposite of individual sub-contractors in our network: the first is one of our longest-standing supply chain members, and another that has recently joined the team. Both companies have effectively overcome challenges related to the COVID-19 pandemic in the last twelve months to ensure Warmer Homes Scotland customers have continued to receive excellent care.



Alba Gas is one of the longest-standing members of the Warmer Homes Scotland supply chain, having been involved with the scheme for more than six years.

They are a small business that prides itself on everyone pulling together and working towards a common goal. They recognise that happy staff are critical to a well-functioning business, encouraging their team of 17 staff to develop a good work-life balance.

As part of Alba Gas' work on the Warmer Homes Scotland contract, they install multi-fuel central heating and have started the process of getting their team upskilled for the renewable technologies of the future. Their heating installation works can involve a number of visits to properties and can require having a number of staff in households when an installation is taking place.

They have benefitted directly through their involvement in the Warmer Homes Scotland contract, saying: "As a direct result of the Warmer Homes Scotland scheme we are improving our profile within the private sector. It always helps if you have a strong partnership and association with a reputable company such as Warmworks."

As with many other businesses across the country, they experienced challenges in carrying out their day-to-day operations related to the COVID-19 pandemic, but they say that keeping in regular contact with Warmworks was key to managing this challenge:

"There were a lot of occasions last year when we did not have a full complement of staff to work with for weeks or even months at a time. It is on occasions like this when you fully appreciate the support and empathy that Warmworks provide. They are always there to assist and advise when required and we really appreciate that. Good communication is always the key to running a productive business, and all the Warmworks staff are great at dealing with all the Alba Gas staff in an upbeat, engaging and knowledgeable manner."

Now one of the longest-serving members of the Warmer Homes Scotland supply chain, they are looking to the year ahead, saying: "This year, we will be concentrating on Air Source Heat Pump training for all staff. Our company has a background in Air Source Heat Pumps, but moved away from this type of work in 2010. With this firmly back in the Government's focus for the future, we are happy to be doing this work again."



Envo Energy joined the Warmer Homes Scotland supply chain in early 2021, when our supply chain members were facing the challenge of remobilising after COVID-19 restrictions had placed a temporary stop on our operations.

Since coming on board, they have worked quickly and effectively. This has helped ensure that customers who were unable to have insulation measures installed while these restrictions on non-essential work were in place then received them within the shortest possible timeframe when these restrictions were lifted.

The team recognised the importance of acting promptly to get these measures into Warmer Homes Scotland customers' homes, maximising heat retention, helping to manage bills and increasing the efficiency of any heating works installed as part of the same application.

Only a few weeks after joining our supply chain, the company was tasked with a considerable number of insulation installations. Undaunted by the scale of the challenge, they appreciated the need to balance quick delivery with the high-quality standards of the Warmer Homes Scotland scheme.

In their first month, Envo Energy went on to complete 37 installations, often in homes requiring multiple insulation measures, and they managed to complete all of these jobs within the required delivery timescales.

Since then, the company has worked on hundreds of other jobs, sometimes in very rural locations, averaging more than 40 jobs a month.

Having worked closely together as part of a team to deliver a large-scale challenge in its first year as a member of the Warmer Homes Scotland supply chain, Envo Energy has received praise for their care towards our customers and for maintaining regular contact with them throughout their engagement.



# How Warmer Homes Scotland supports our communities

Recognising our responsibility to support the communities in which we deliver our work has always been a pivotal part of how we manage and operate the Warmer Homes Scotland contract.

Given the far-reaching social and economic impacts of the COVID-19 pandemic and the difficulties posed by rising energy costs, we understand the difference that can be made by offering bespoke support to local communities, creating the potential for individual people and families to thrive wherever we can.

We have done this through the creation of jobs, apprenticeships and training opportunities and, in the last twelve months, we have strengthened our commitments in this area with the launch of a brand new initiative, known as Warmstart.

## Warmstart



“I really enjoy finally being in an office environment and working as part of a team. In ten years’ time I would like to be a Project Manager, or at least be on the way to that type of role.”

In April 2021, Warmworks launched Warmstart to help young people gain new work experience and job opportunities in our company and supply chain. This builds on our strong track record of supporting young people into our industry. We began with support from the UK Government’s Kickstart UK scheme, working in partnership with our Gateway Organisation, the Wise Group, and then more recently via the Young Person’s Guarantee through the Scottish Government and local authority employability support.

Warmstart was launched as a means of Warmworks going above and beyond its contractual Employment and Skills Plan (ESP) targets with the Scottish Government (more detail on our performance in that area provided below) and it seeks to add further value beyond ‘business as usual’ activity. In its first year of operation, the Warmstart initiative has surpassed our ambitions. At the end of this first year, we have now supported 23 young people in place from different routes, including ten Kickstart UK placements. A total of 11 supply chain companies have recruited young people into the Warmstart family.

Our original target for the year 2020/21 was 15, so we are delighted that a considerable number of additional young people have enjoyed opportunities in business administration, customer service, heating, renewables and insulation work.

Rebecca Maxwell (pictured with her Warmstart new starter box), is our new Office Administrator and one of our latest Warmstarters at Warmworks. Rebecca was recommended to us via RTL Training, where she is undertaking an SVQ in Business Administration.

Supported through the Scottish Government’s Young Person’s Guarantee scheme via Midlothian Council, Rebecca says: “I really enjoy finally being in an office environment and working as part of a team. In ten years’ time I would like to be a Project Manager, or at least be on the way to that type of role.”



# Employment skills plan – Warmer Homes Scotland targets

We have continued to exceed the target position on four out of five of our Employment Skills Plan (ESP) targets for Warmer Homes Scotland.

In terms of the five target groupings, we have surpassed our targets in the Graduates, Placements, Apprentices and Jobs categories, and we have almost reached our Training target, as can be seen in the graph below.

Looking back at the original 16 Warmer Homes Scotland ESP targets, we have already completed or exceeded ten, are ahead of forecast on two and are working towards our targets for the remaining four.

There are now 154 apprentices across the trades and office positions, including pre-apprenticeships.

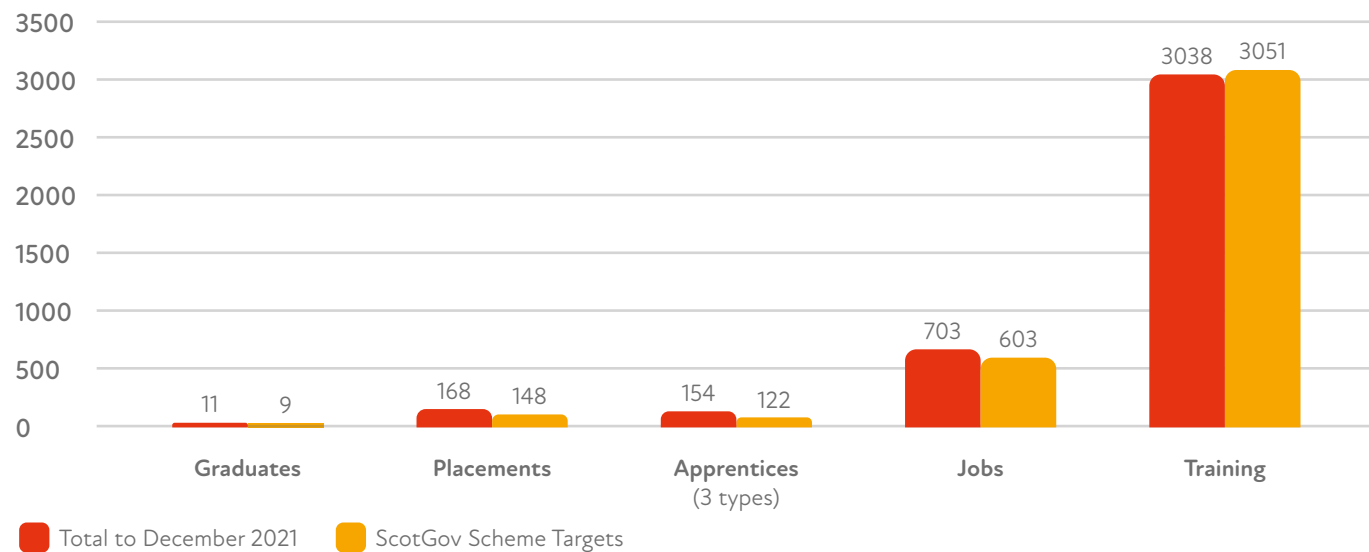
Target 3 on Warmer Homes Scotland related training has now been met and exceeded, and we expect more to come through, including in areas such as retrofit, customer service and mental health.

We continue to link suppliers and our own teams to renewables training at local colleges, with support from the Flexible Workforce Development Fund. A significant amount of training is also underway and planned through approved manufacturers.

Helping more employees enjoy vocational courses and qualifications, leadership and management training and ensuring apprenticeships are completed successfully will remain some of the key challenges in the year ahead.

A successful communities workshop was held with the supply chain at our Contractor Forum in October 2021. It included a comprehensive and well-received presentation from ESP (formerly known as the Energy Skills Partnership) focussing on funding, skills, college-based training and new facilities. We also had an interactive session with the supply chain to discuss future skills development and how we might support or recruit more young people into our industry. We look forward to continuing these efforts with Scottish Government, Skills Development Scotland, local colleges, universities, Energy Saving Trust, ESP and other key organisations in the years ahead as we rise to the challenge of net zero and combatting fuel poverty.

Total Supply Chain & Warmworks December 2021



“I’ve had experience in heat pump, Solar PV, battery storage, electric and gas heating. It’s also good to know that we are helping people out.”

Of course, apprenticeships will always be about more than just statistics and numbers – the stories behind the data are those of young people that are now actively benefitting from the opportunities that the scheme has created. We have included another of these stories below:

## Apprenticeship Case Study

**Name:** George Smith  
**Role:** Apprentice Electrician (fourth year)  
**Team:** Inspections

George found out about the opportunity through his Training Officer at SECTT (Scottish Electrical Charitable Training Trust). He was made redundant at the beginning of 2020 and had to find a new host employer. SECTT put him in touch with Warmworks and George then started in March of the same year, just a few weeks before the very first COVID restrictions were put in place.

Warmworks took George on board under Skills Development Scotland’s Adopt an Apprentice scheme, which is funded by the Scottish Government to support and encourage employers to take on apprentices who are at risk of not completing their apprenticeships due to having no host company.

As well as his college-based training, George has been supported by our in-house Inspections team, where he will be working full time after he qualifies. George says:

“I’ve had experience in heat pump, Solar PV, battery storage, electric and gas heating installations. It’s also good to know that we are helping people out.”

George has almost completed his SVQ and Modern Apprenticeship and will soon be undertaking the Joint Industry Board Final Integrated Competence Assessment (FICA).

He says: “Now that I have almost completed my apprenticeship, my biggest challenge will be the FICA assessment. I’m working at gaining more hands-on experience in inspection and testing with support from the Warmworks team.”





# The wider social impact of the Warmer Homes Scotland scheme

The wide range of impacts that come as a result of fuel poverty can affect all aspects of our customers' lives and are far reaching in local communities.

Managing the Warmer Homes Scotland scheme brings many first-hand accounts from our customers of the extent to which they are affected. At the outset of their interaction with us, some will tell us how their health has been impacted by living in a cold and damp home, and others how they are struggling financially to meet their basic needs because of high fuel costs. Many others will talk to us about how their children don't have a warm bedroom to sleep in, affecting their performance at school, while others won't invite friends or family into their home because they can't keep their home heated. The links between fuel poverty and poor health are proven, but we also know from this feedback how it can permeate all aspects of our customers' lives, with the potential for creating a serious detrimental impact on their general wellbeing.

Additionally, one of the key successes of the scheme has been the apprenticeships, jobs, and training opportunities created for local people in the communities where we work, as well as supporting local economies through using a network of local sub-contractors to deliver the work. We often receive feedback about the impact an apprenticeship opportunity has on a young person's life, or how innovation through the scheme has helped a local business grow.

Previous editions of the Warmer Homes Scotland Annual Report have clearly demonstrated how the scheme

supports customers to stay warm in their homes, and to manage their household fuel bills. Given the stories described above in relation to those broader impacts of fuel poverty, a knowledge gap existed in terms of quantifying and understanding what impact, if any, the scheme had on alleviating these wider social effects. We therefore recognised that the scheme is delivering wider, and longer lasting impacts than we have previously been able to evidence, and we sought to develop our knowledge to draw out positive social outcomes from the scheme where they exist.

To help us to better understand the wider social impacts of the scheme, Warmworks undertook in-depth research in partnership with Social Value Lab. Social Value Lab is one of Scotland's leading social research organisations and is a social-purpose business with extensive experience in this area. The team worked with us to understand the scheme, our customers, and to conduct Social Return on Investment (SROI) research. The SROI methodology was selected as a robust, evidence-based approach that measures and reports only the impacts experienced by people, whilst also using financial proxies to understand the value of those impacts to wider society.

During their research, Social Value Lab engaged with over 700 customers who have benefitted from support through Warmer Homes Scotland, and 14 registered sub-contractors who have delivered work under the scheme. This research was carried out confidentially and independently of Warmworks, resulting in the final publication of an in-depth report titled *Social Return on Investment of Warmer Homes Scotland 2020/21*. This piece of research, which we believe to be the first of

its kind at this scale, sought to evidence the impact fuel poverty schemes, like Warmer Homes Scotland, can have on people, businesses, local communities, the NHS and at national Government level.

## Some of the key findings of the report were as follows:

- The Warmer Homes Scotland scheme generates approximately £3 of social return for every £1 invested
- More than three quarters of customers said that their health and wellbeing had improved because of the support they received
- Almost 90% of customers reported feeling safer in their homes, thanks to improvements made under the scheme
- Nearly three in five homes with children found that conditions for doing school or college work were better following improvements installed under the scheme
- Thanks to work carried out under the scheme, one third of customers said they had experienced reduced social isolation



The scheme is also helping to lead the way towards Scotland becoming a net zero nation, with more than half (54%) of customers reporting that the scheme helped them to lower their carbon emissions.

Additionally, the report found that Warmer Homes Scotland is helping to create green jobs and is delivering skills for the workforce of the future, with the research finding that almost 9 in 10 (86%) of the scheme's supply chain saw their involvement leading to better training or upskilling opportunities for their workforce. Furthermore, 79% said their relationship with the scheme had given their business increased financial security, and 71% reported a positive impact within their local communities through job creation, training opportunities, and the procurement of goods and services from local businesses.

This research provided a valuable, more detailed insight into the role of the scheme, and the approach taken by Warmworks to deliver it. We will continue to keep this work under review and will seek to build on it, ensuring the social impact of the scheme is maximised and that it continues to have a positive, meaningful impact on people's lives.

The main findings of the Social Return on Investment of Warmer Homes Scotland 2020/21 report are illustrated in the graphics on the following pages.

### Health & wellbeing impact of the Warmer Homes Scotland scheme



### Benefits of the Warmer Homes Scotland scheme for our supply chain



### Financial benefits of the Warmer Homes Scotland scheme



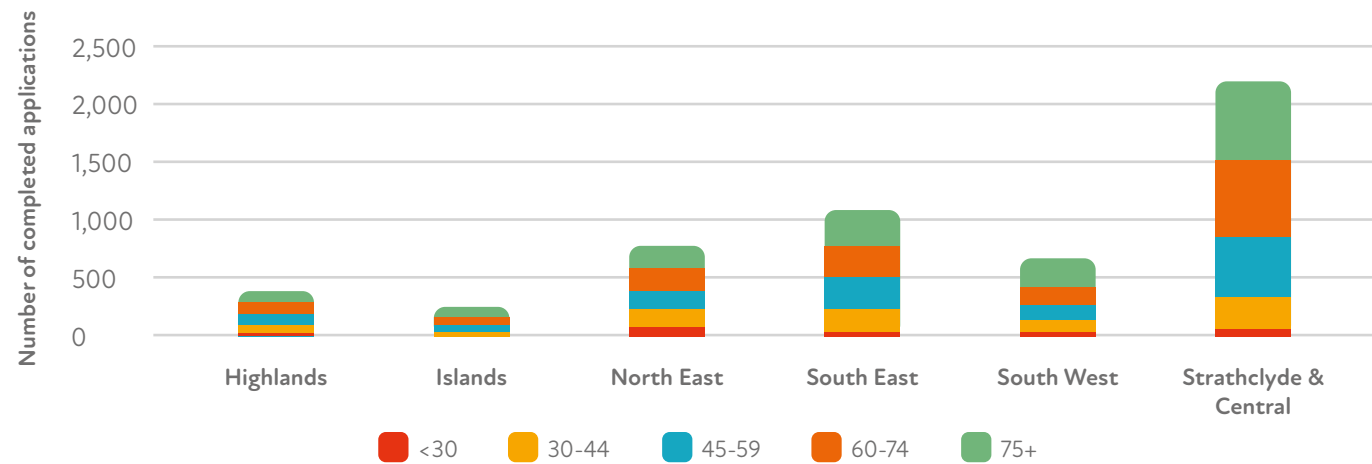
### Benefits of the Warmer Homes Scotland scheme on day-to-day living



# Year in numbers – trends and analysis

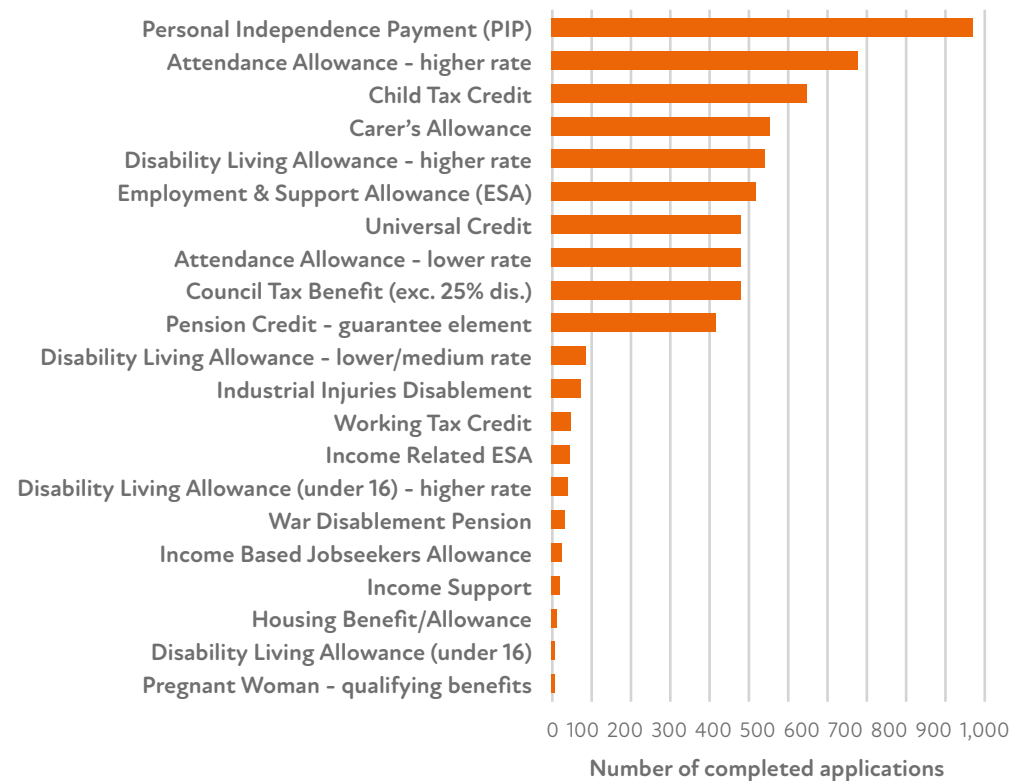
## Our customers: age and location

The graph below shows the households that received assistance under Warmer Homes Scotland in 2021/22, split by the age of the eligible applicant and the geographic region in which they are based.



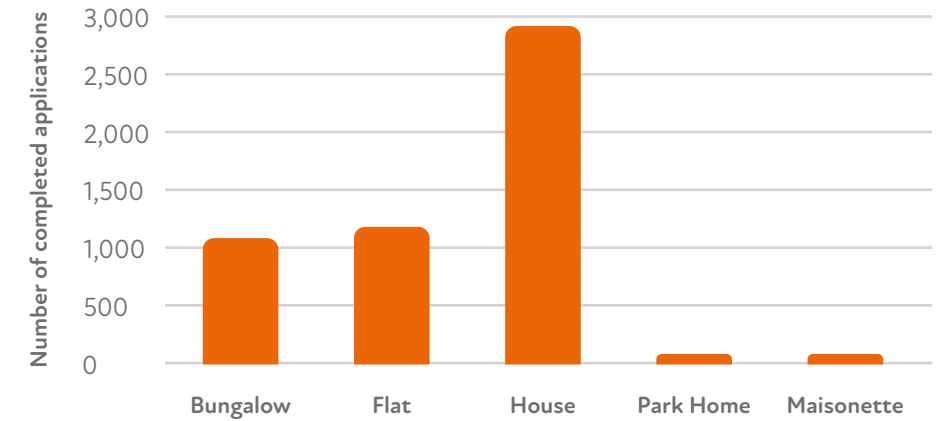
## Our customers: the qualifying benefits they receive

The graph to the right shows the breakdown of households that received assistance under Warmer Homes Scotland in 2021/22 and gives details of the main benefit being claimed by the eligible person to make them qualify for the scheme. Note that some householders will receive more than one benefit and this graph only captures the lead benefit.



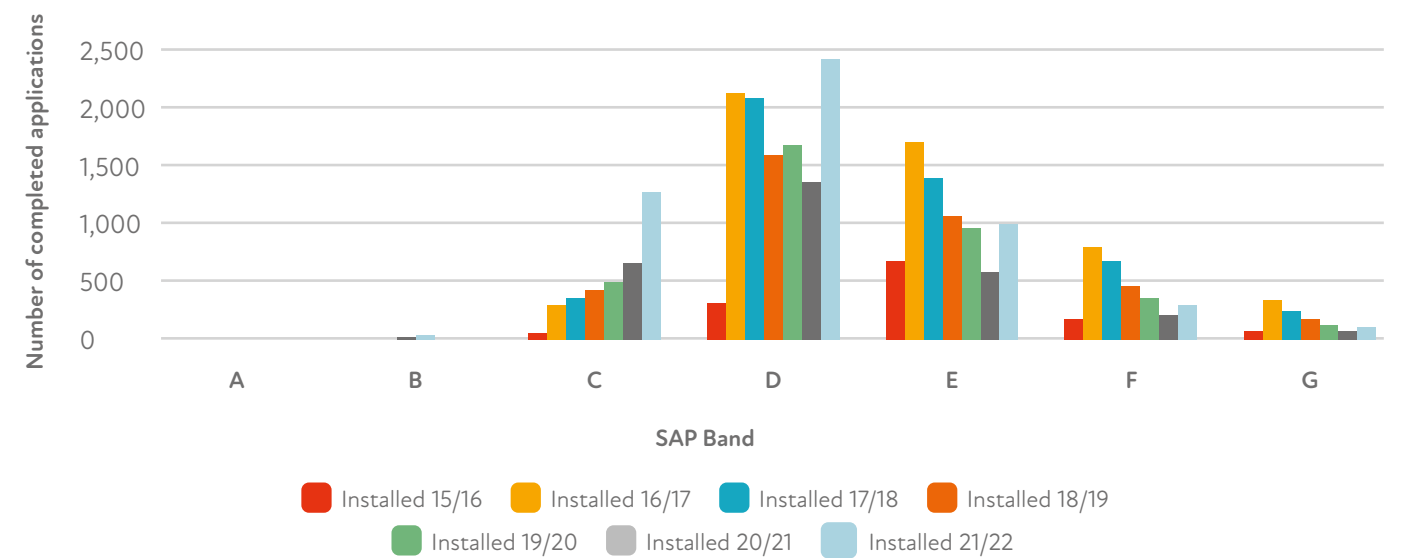
## Homes: the properties that have been helped

The graph on the right shows the split of the different property types that were helped under Warmer Homes Scotland in 2021/22, using the property type definitions specified by the Scottish Government.



## Homes: number of completed Warmer Homes Scotland applications by SAP band

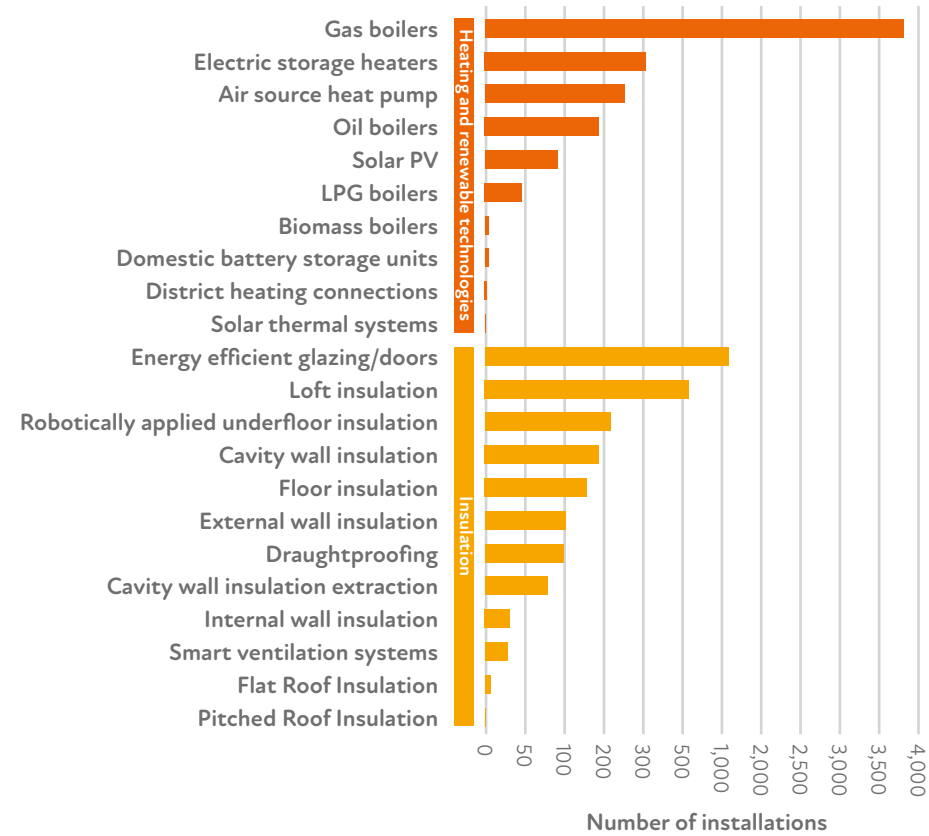
The graph below shows the households that received assistance under Warmer Homes Scotland in 2021/22, split by the SAP band (as shown on a standard Energy Performance Certificate) of the property prior to any energy efficiency improvements being installed. Note that households with a recorded initial SAP band of C or D would have had lower SAP ratings because their main heating system was broken.





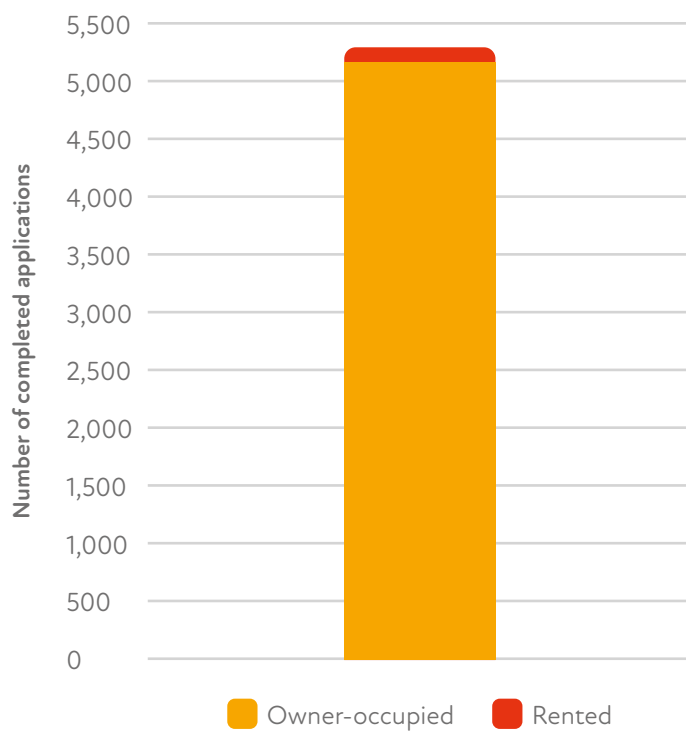
### Measures installed: breakdown of completed work

More than 5,000 homes across Scotland have received support from the Warmer Homes Scotland scheme in the last year. The table opposite shows a breakdown of the energy efficiency measures installed in these homes.



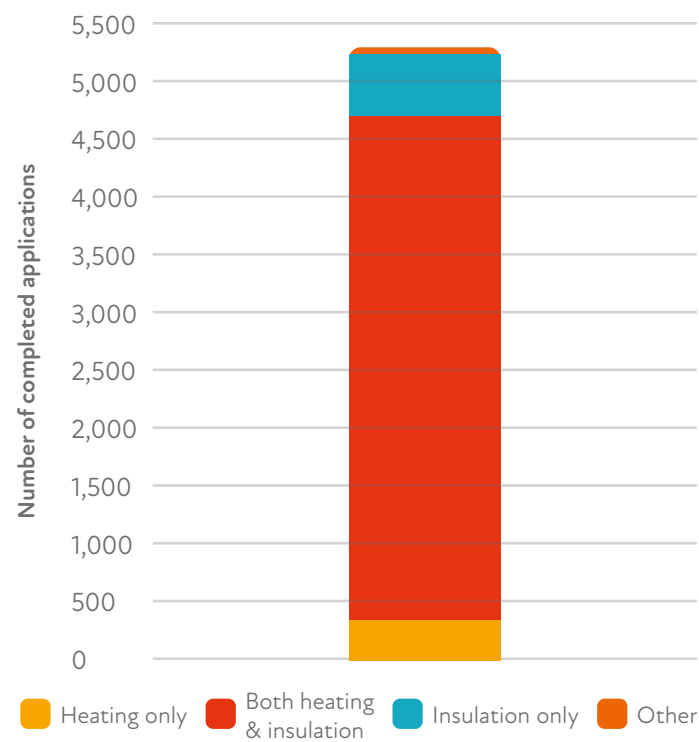
### Homes: number of properties we've helped by tenure

The graph below shows the households that received assistance under Warmer Homes Scotland in 2021/22, split by the tenure of the household.



### Measures installed: mix of heating and insulation

The graph below shows households that received heating measure(s) only, insulation measure(s) only or a combination of heating and insulation measures.



## Contact & Queries

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