

# SHDF Wave 2.1 funding secured: transforming lives through SNG's impactful investment.

**sero**

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Sovereign  
Network  
Group

**Case study: October 2024**

Working together to successfully secure funding. Powering the future of sustainable housing.



**Social Landlords across the country are facing several pressures amidst the housing and energy crisis. A key challenge is ensuring homes are updated to meet energy efficiency targets and reduce energy bills for residents. Making those improvements requires significant investments, putting additional pressure on already stretched budgets and increasing operational costs.**

**The government has set up the Social Housing Decarbonisation Fund (SHDF) to allow Social Landlords to improve their housing stock and meet Net Zero. This includes improvements such as insulation, heating, and energy efficient doors and windows, as well as new heating systems. In Wave 2.1 of SHDF **£800m** of funding was allocated to improve Social Housing to at least **EPC Band C**.**

**In 2022, Sovereign, now known as Sovereign Network Group (SNG) approached us to help them submit their SHDF Wave 2.1 bid and get funding for a 1,000 home project.**

## The Challenge

**A social purpose organisation, SNG believes every person should live in a home and place where they feel safe and can thrive.**



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We put our residents at the heart of our strategic thinking and implementation of the strategic objectives of our Homes and Place Standard.

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**Jim**  
SNG, Director of Built Environment

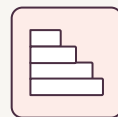
As part of its strategy, SNG are committed to retrofitting its portfolio of 84,000 homes to EPC C by 2035 and Net Zero by 2050, using a no-regrets, value-for-money approach.

The SHDF project we were asked to work on, aims to identify those most in need through the lens of affordability, warmth, and carbon emissions.



**84,000**

Portfolio of homes



**EPC C**

By 2035, Net Zero by 2050

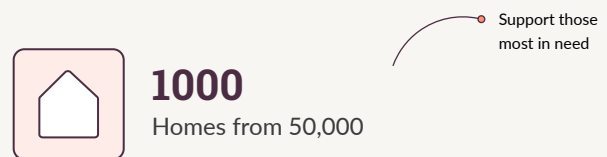
Jim added: “We put our residents at the heart of our strategic thinking and implementation of the strategic objectives of our Homes and Place Standard. The standard is centred on providing homes and communities that deliver energy efficiency, health, wellbeing, and affordability benefits as well as providing a simple pathway to Net Zero.”

This is a massive commitment, requiring extensive analysis and funding to make it happen. Importantly, it needs to work to support those residents most in need amidst the energy and cost of living crisis, as well as identifying the specific improvement needs of the homes themselves.

**To target the residents and homes with the most need for retrofitting improvements, we implemented a comprehensive data-driven portfolio analysis.**

This was done using a fuel poverty risk-based approach using both Sero's Pathway product and SNG's Asset Management System.

This assessment process filtered 1,000 homes from 50,000 within SNG's Asset Management System. We targeted cavity construction, off gas-grid and direct electric heating, EPC-D & E. As Retrofit Co-ordinator, we then grouped these homes into 10 archetypes and provided a sample of each to SNG's Retrofit Assessors, who then undertook 30 condition and energy surveys. All survey data was analysed by our Pathways solution to provide confidence in the approach taken.



Following the assessment process, our technology and experts produced a Pathway to Net Zero for each home. These outline the cost of potential measures alongside their impact on energy performance and bills, to recommend the best approach for each home.

Working together we jointly developed a compelling application for SHDF funding. To produce the bid, we analysed and identified the homes meeting both SNG and SHDF requirements and selected the correct measures to deliver the right outcomes for all. Another important aspect to the bid was demonstrating how the modelling methodology was robust, ensuring bills won't increase as a result of the measures installed.

**The bid was a success, with SNG receiving £9.4m in SHDF funding, which will be supplemented by their own investment of £13.5m to deliver wider upgrades that will be felt over generations.**



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It's great to be working with a Landlord who is both forward thinking and cares about taking the right approach to get the right outcomes for its residents and the planet.

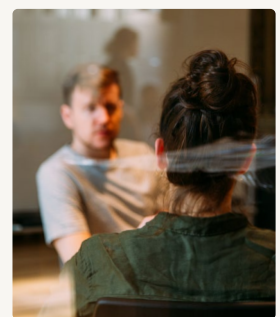
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**Anne-Marie**  
Sero, Key Account Manager

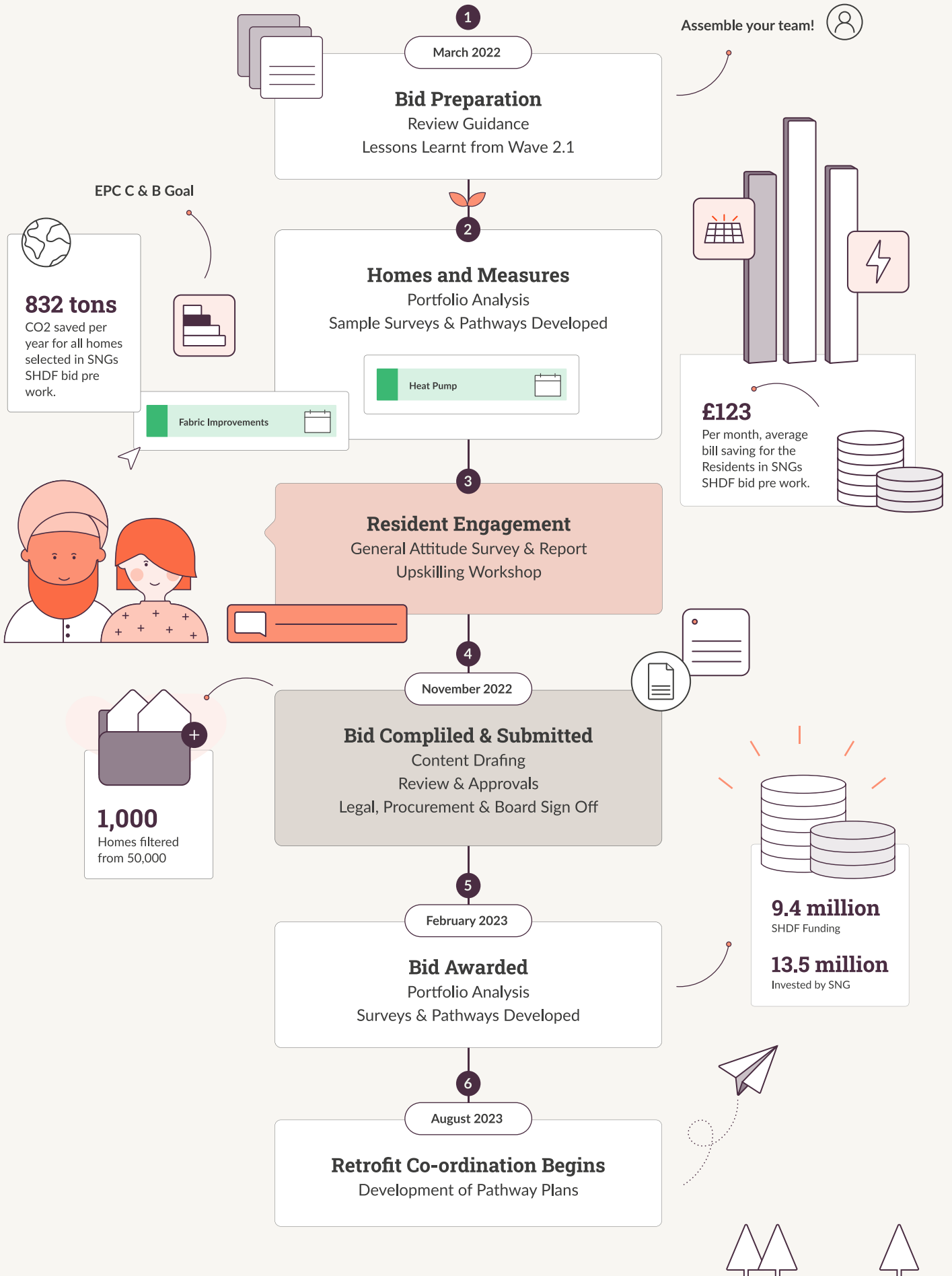
Overall, this renewal programme will ensure that these homes achieve an EPC B+ rating which is set against SNG's wider Corporate Plan to reach a minimum EPC rating of C by 2035 and EPC band B by 2047 – achieving compliance well before the Government's target of 2050.

Jim added, “The sector's traditional and reactive approach to asset and repairs management is short-term and inefficient. Instead SNG's inter-connected 30-year strategic asset management and investment strategy informs our disposals, replacement, land, regeneration and retrofit priorities. SNG's qualitative Homes and Place standard underpins each strand of this investment strategy thus meeting our customer priority needs of health, wellbeing, affordability.

“Delivering our 1,000-home project will help us demonstrate how delivering retrofit best practices can create homes and places where our residents can thrive for generations to come.”



# The Bid Journey



## Retrofit Pilots and WH:SHF Wave 3: Our Retrofit Co-ordinators will be responsible for overseeing site assessments, developing plans, and managing project-related requirements for each home.



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Our Retrofit Pilots will run out with our SHDF works to explore alternate heating, hot water and smart home technologies for differing archetypes this informing strategic portfolio investment opportunities.

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**Robert**  
SNG, Asset Manager

We are working with SNG's Resident Engagement team to bring 'Net Zero' into the conversation, to talk to residents, organise surveys and support the communication between residents and the retrofit installers.

We're also exploring how we can support SNG with their WH:SHF Wave 3 bid and its delivery, as part of a long-term partnership which is being established to help SNG deliver their Homes and Place standard and achieve their Net Zero ambitions.

Robert added, "SNG is also looking to develop its technical approach for the best mix of measures and equipment for their homes. We're working with Sero on pilot projects so that we can test, learn, and be confident that we're achieving the best outcomes for our residents in terms of Comfort, Cost, and Carbon."

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### Further Reading

[SHDF](#)

[SNGs Homes & Places Standard](#)

[SNG Press Release](#)

# Get In Touch

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