

Property

Does improving energy efficiency pay off?

Many of us are hurrying to insulate our homes and install new tech to cut power bills. But investing thousands does not always lead to big savings, writes Ruth Bloomfield

Well before the current cost of living crisis hit, Philippe Hinchecliffe was convinced that the era of cheap fuel could not last forever. His Victorian terrace was in need of updating and he decided to future-proof it against rising prices and climate change at the same time. This meant upgrading its insulation, fitting solar panels, and ditching his energy-guzzling old gas boiler in favour of the Government's preferred alternative, an air source heat pump.

But having spent more than £40,000 on energy efficiency improvements, Mr Hinchecliffe is underwhelmed by the performance of most of the high-tech pieces of kit he now owns. His message to others considering investing energy efficiency? Keep things simple.

"I think I would have been better off if I had stuck just to the basics," he said. Mr Hinchecliffe, 55, a retired patent attorney, bought his house in Hackney, east London, in 2012. "It was a typical English house, and it was bloody freezing," he said.

By 2017 he was ready to renovate and hired architects Outpost to design a kitchen extension and update the rest of the house.

During the nine-month build, double-glazed windows were installed, at a cost of around £4,000 per window, and insulation was added in the loft and behind the walls for £2,000.

The trickiest part of the work was its eco-credentials. "Getting heat pumps into an old English house is not easy, and it is not cheap," he said. "I met any government giving support for many people to do what I have done, and the results have really been only barely acceptable given the cost."

The problem is that heat pumps do not work in isolation. In Mr Hinchecliffe's house it required underfloor heating to be installed, bumping the cost up to £35,000. He then, on the advice of his plumber, spent around £5,000 on ceiling cooling panels, to guard against summer overheating, the same again on solar panels to provide hot water, and another £200 in a mechanical ventilation with heat recovery system to circulate fresh air into the house.

This brought his total spending energy efficiency bill to around £72,000 – less government grants of around £7,000.

Cost aside, the key problem Mr Hinchecliffe encountered was finding installers capable of fitting and setting up his systems.

When he bought his house his Energy Performance Certificate rating was a E energy agency South London found around 40pc of homes built before 1990 have a rating of E10 or D.

The costly work he has had done – which is particularly worrying for landlords since, from 2025, all rental properties must have at least a C rating. EPC ratings are based on average energy bills, taking into account the various features that have been installed.

At the start of this year, the energy bills for the house cost roughly £100 per month. By the end of the year he suspects they will be around £200 – low compared to many other people but still considerable, considering the amount invested.

He found that sometimes the small fixes make the biggest difference. "Frankly, I think triple glazing and then roof insulation and fitted carpets would be the most pragmatic solution in old houses," said Mr Hinchecliffe.

That was the case for Lia and Dale Braithwaite, too. When they and their two teenage daughters moved to their



Philippe Hinchecliffe spent £42,000 upgrading his London home from an EPC grade E10 to a C, including insulation and a heat pump

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Extension in Philippe Hinchecliffe's terrace in east London



"We were pumping heat in, and it was leaking straight out"

Bonnie van Heyningen
London

wait, who estimated the insulation cost another £200. In those early years the couple found themselves on a learning curve. "Things like finding someone to service the heat pump was difficult," she said. "We had to do a lot of the research ourselves, because what works in one house may not work in others, and you have to be able to understand enough to have a conversation with installers and companies."

Over the next few years the couple built an extension, clad in a Weber-ol MT weatherproof render, which added another protective layer and stays noticeably warmer than the original house. Their most expensive investment was an £8,500 array of solar panels on the roof which provide power during the daytime. Any excess is fed back into the grid.

The couple also paid attention to detail, switching to low-energy lights. This cost around £1 per light, or £500 in total. They also chose internal doors with draught seals which drop down when they are closed – these added around £10 to the cost of each door.

In total, the couple spent around £10,000 on energy efficiency upgrades. As a result, its EPC rating of E was raised to a C. Despite this rise in efficiency, the couple are still expecting monthly fuel bills of around £300 by the end of the year.

This is "marginally" more than they used to pay, but since they have enlarged the size of their house considerably they are pretty pleased with the result. "We think we are paying roughly 50pc less than we would be if we hadn't done the recent upgrades, and probably 10pc less than it would be if it was not updated at all," said Mr Braithwaite.

Having spent 11 years creating their cosy, efficient, and rather stylish family home they should be sitting pretty. But they have decided to move on, and their three policies are set to change. The family wants to move somewhere with land for the equines and so their house is on sale with Strait & Parker with a guide price of £1.6m.

An autumn move into winter Ekaterina van Heyningen and her husband Benoit Couiller are waiting to find out how their house's recently completed energy efficiency upgrade will hold up to the weather this winter. The couple bought their five-bedroom Victorian terrace in West Norwood, south London, 15 years ago, and share it with their two daughters.

"It was cold in the winter, energy guzzling and draughty," said Ms Van Heyningen. "We were pumping heat in, and it was leaking straight out."

The couple wanted to enlarge their kitchen, and generally update the house, and hired architect Harry Paton, of the non-profit benefit Action for Tomorrow, to assist.

"He really encouraged us to think about how we could insulate the house and move away from gas central heating and make it a more sustainable place to live," said Ms Van Heyningen. This involved replacing single glazed windows with triple-glazed aluminium and wood windows which cost around £7,000 each.

Inside, the walls were stripped back to brick and lined with wood fibre insulation before being replastered at a cost of circa £20,000, including new lime render and plasterwork. Extra insulation was added in the floor and loft, which

How boosting your EPC could make you money

Prospective buyers are willing to pay more than £10,000 extra for energy-efficient homes in a sign the property market is rapidly changing.

Sale prices of properties that have gone from an F or G rating to a C have increased by an average of £10pc on top of local house price growth, according to estate agents Knight Frank. This amounts to £14,444 based on the average

price of £100,000. The cost of the upgrade for an F-rated property was estimated at £10,373, yielding a profit of £3,071. For a home with a G rating, the cost was about £13,141, resulting in a net gain of £3,283.

Homeowners who upgraded properties from a D to a C rating saw a 3pc uplift, amounting to an average of £10,000. The typical cost was estimated at £5,500, which would yield a 10pc gain of £5,500.

To produce the analysis, Knight Frank compared the EPC certificates of 6,000 homes that improved their home energy performance in the previous five years.

Landlords must attain a rating of C or above for their properties from all new tenants by 2025, and by 2028 for all rentals, Oliver Knight, of the firm, said most cover-occupants upgrading energy efficiency were primarily motivated by a desire to cut their bills.

However, some lenders will also offer better rates on properties with a high EPC, "I suspect that they will become more attractive to buyers given what's happening in mortgage rates," he said.

Anna Phillips



"We found nooks and crannies to stuff with insulation"

Liz Braithwaite
Kent

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