

DEMOS

IMPLEMENTING GOOD HOME HUBS

THE DEMAND, COSTS,
FINANCE AND DELIVERY

DAN GOSS

FEBRUARY 2025

 Centre for
Ageing Better

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ABOUT THIS BRIEFING

This briefing follows Demos's 2024 project in partnership with the Centre for Ageing Better, *The Triple Dividend of Home Improvement*, which looked at the economic, health and environmental benefits of investing in home improvement. As part of this, Demos recommended that the government implement Good Home Hubs - an idea pioneered by the Centre for Ageing Better of local one-stop shops for support on housing improvements. This briefing paper explores in more depth the barriers to and impact of implementing Good Home Hubs. It is part of Demos's work on **Public Service Reform**, aiming to deliver a new operating model for public services - one which liberates professionals and communities to build services together that work for local circumstances.

INTRODUCTION

The UK has a widely acknowledged housing problem, with too many people living in high-cost, low quality homes. The response has primarily focussed on building new homes - an important consideration, but not the only one. Critically, it is estimated that 80% of homes that will exist in the UK in 2050 have already been built.¹ If we are to address the problems in UK housing, the suitability of our existing housing stock must be central to the discussion. Britain's homes should not only be a good enough standard to ensure comfortable living, but also adapted to changing needs of residents over time, whether that's for accessibility requirements, energy efficiency improvements, or the removal of hazards.

Unfortunately, the quality of housing is not as good as it should be. One in every seven homes in England - 3.7 million different homes - were found to be 'non-decent' in 2022 according to the English Housing Survey.² Of these, 2.1 million were found to not meet the minimum standards - meaning they pose a 'Category 1 hazard' (a serious and immediate risk to a person's health and safety).³

As Demos research has shown, improving the quality of UK homes could provide a 'triple dividend', with benefits for:⁴

- **The economy** - 107,488 jobs created or sustained in related industries, £858m annual savings to the NHS through prevention, and a £10bn annual boost to the UK.
- **Health** - 105,151 additional years of healthy life added per year
- **The environment** - 744,283 tons of CO2 emissions reduced

Central and local governments have a range of initiatives to help improve the housing stock - from national bodies such as Homes England to targeted grants and loan schemes. Yet, as this report details, many people still live in substandard homes due to barriers and complexities in accessing this help that they feel unable to navigate. People struggle with a lack of:

- Access to trusted information, advice and support
- Confidence to make changes themselves
- Access to finance
- Perceived 'pay off' for investing in the home
- Agreement with landlord (where relevant)
- Access to trusted tradespeople

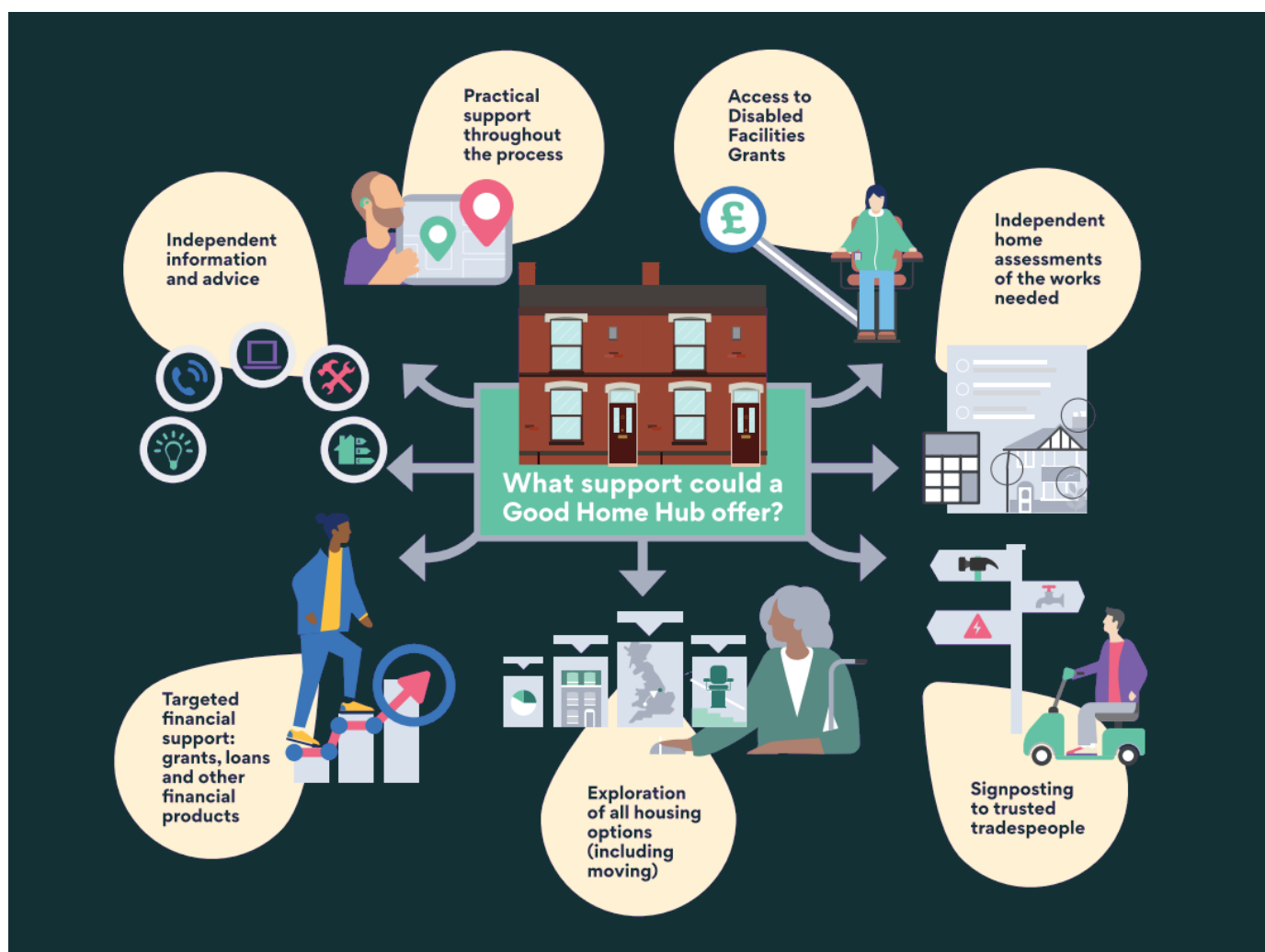
1 Committee on Climate Change, UK housing: Fit for the future?, February 2019, <https://www.theccc.org.uk/wp-content/uploads/2019/02/UK-housing-Fit-for-the-future-CCC-2019.pdf>

2 MHCLG et al, English Housing Survey data on dwelling condition, security and fire safety, 18 July 2024, <https://www.gov.uk/government/statistical-data-sets/dwelling-condition-and-safety>

3 FixFlo, HHSRS Checklist: A Key Part of the Homes (Fitness for Human Habitation) Act 2018, May 2025, <https://www.runnymede.gov.uk/downloads/file/580/guide-to-hazards>

4 O'Brien A, The Triple Dividend of Home Improvement: The economic, social and environmental benefits, Demos, 20 June 2024, <https://demos.co.uk/research/the-triple-dividend-of-home-improvement-the-economic-social-and-environmental-benefits/>

Addressing this requires a more ambitious approach to delivering home improvements support services, simplifying the system and better supporting residents' needs. A critical piece in that puzzle is Good Home Hubs - local one-stop shops for information and support about housing improvement - an idea pioneered by the Centre for Ageing Better and recommended by Demos.^{5,6} As illustrated below, these hubs could offer a range of services to help tackle the barriers that households face in improving their homes. While these services are offered across many local authorities, there remain significant gaps, and for those who do offer these services the delivery and finance is hard to navigate both for the service providers and households. As a result, households are often put off from engaging. Good Home Hubs would help address these challenges.



Source: Centre for Ageing Better, *Good Home Hubs*, September 2024, <https://ageing-better.org.uk/sites/default/files/2024-09/Good-Home-Hub-Booklet.pdf>

The case for Good Home Hubs is being successfully made. Drawing on Demos's previous report, the government-commissioned Older People's Housing Taskforce emphasised that "more investment is also needed in home improvements and adaptations to achieve a triple dividend (economic returns, job creation and social and environment benefits)".⁷ The Taskforce's final report went on to recommend that the government "establish a network of local community

5 Centre for Ageing Better, *Improving homes: Good Home Hubs*, <https://ageing-better.org.uk/improving-homes-good-home-hubs>

6 O'Brien A, *The Triple Dividend of Home Improvement: The economic, social and environmental benefits*, Demos, 20 June 2024, <https://demos.co.uk/research/the-triple-dividend-of-home-improvement-the-economic-social-and-environmental-benefits/>

7 MHCLG and DHSC, *Our Future Homes: Housing that promotes wellbeing and community for an ageing population*, 26 November 2024, <https://www.gov.uk/government/publications/the-older-peoples-housing-taskforce-report/our-future-homes-housing-that-promotes-wellbeing-and-community-for-an-ageing-population>

hubs” to help people “explore and realise their housing options”, noting how these could “link to Good Homes Hubs”.⁸

The next step towards policy development of Good Home Hubs requires a greater focus on delivery: how can Good Home Hubs be established, financed, and organised on a national scale, and what are the costs involved? Beyond this, we also need to take final steps in making the case not just that Good Home Hubs are important, but that they could play an important role in helping deliver current government strategies.

To support that next step, we ran data analysis, an evidence review, and conversations with stakeholders across academia, civil society and local authorities on the implementation of Good Home Hubs. Based on this research, this briefing outlines an analysis of:

1. **Demand:** What would the level of demand for Good Home Hubs be across the country, and how does this vary across demographic groups?
2. **Cost:** How much would it cost the government to roll out Good Home Hubs across the country?
3. **Finance:** How could the government finance the cost of Good Home Hubs?
4. **Administration:** What administrative issues would need to be considered when implementing Good Home Hubs?
5. **Advocacy:** How can the case be made for the government to action plans for Good Home Hubs?

KEY FINDINGS

The analysis in this briefing reveals that:

- Levels of need for Good Home Hubs are significant, with **40% of UK adults (11.6 million households)** prioritising home improvements but facing barriers to delivering them. Around **one in every eight adults (3.5 million households)** also have ‘high need’, meaning not making improvements would cause them daily inconvenience.
- Engagement with Good Home Hubs is expected to be high. Current services suggest engagement could range from **390,000-550,000 households per year**, while the model of Sure Start centres suggests engagement would reach around **1.53 million households over the next five years**, with the potential for repeat users. Multiple services would be offered to each household depending on need.
- After accounting for the potential revenue raised and the savings to current services, the implementation of Good Home Hubs is expected to **pay for itself** and deliver an **annual net gain to the government of £16 million**.

The short-term benefits that Good Home Hubs could offer - a huge expansion in service delivery, cost savings, and revenue raising - are evidently significant. When considered alongside the medium-to-long term gains that Good Home Hubs would provide for the economy, environment and health, plus the fiscal savings to the NHS and social care, the case for delivering this transformation in the home improvement landscape is clear. While additional finance may not be needed, this briefing outlines a wide range of opportunities to cover any additional funding that is required, and multiple promising pathways to ensure successful administration. The next step is government focus, action and delivery.

8 Ibid.

CHAPTER ONE

DEMAND FOR GOOD HOME HUBS

To understand the level of resources required to implement Good Home Hubs, and estimate their potential impact or return on investment, we first need to assess how widely they will be used, i.e. the level of demand. This can be thought of in two ways:

1. **Need for Good Home Hubs:** The number of people who would benefit from the services of Good Home Hubs.
2. **Engagement with Good Home Hubs:** The number of people who would use the services of Good Home Hubs.

Engagement with Good Home Hubs will be lower than the need for Good Home Hubs, because people who need the services will face various barriers to engagement such as lack of awareness, lack of time to engage, or doubts about their effectiveness.

The need for Good Home Hubs

Good Home Hubs could support all people who would benefit from improvements to their home, but need support in delivering these improvements. As outlined in the Good Home Inquiry survey, over three quarters of UK adults (77%) felt that some home improvements or repairs are a priority for them in the next two years.⁹ Yet, of those who do want repairs, just over a third (36%) say they will be able to do all of their mentioned repairs or renovations. In contrast, half (51%) say they will do some of them, a small minority (7%) think they will not be able to do any of them, and 5% don't know.

After excluding people whose concerns were pandemic-related and therefore may no longer apply, this leaves 40% of the adult population who were prioritising home improvements in

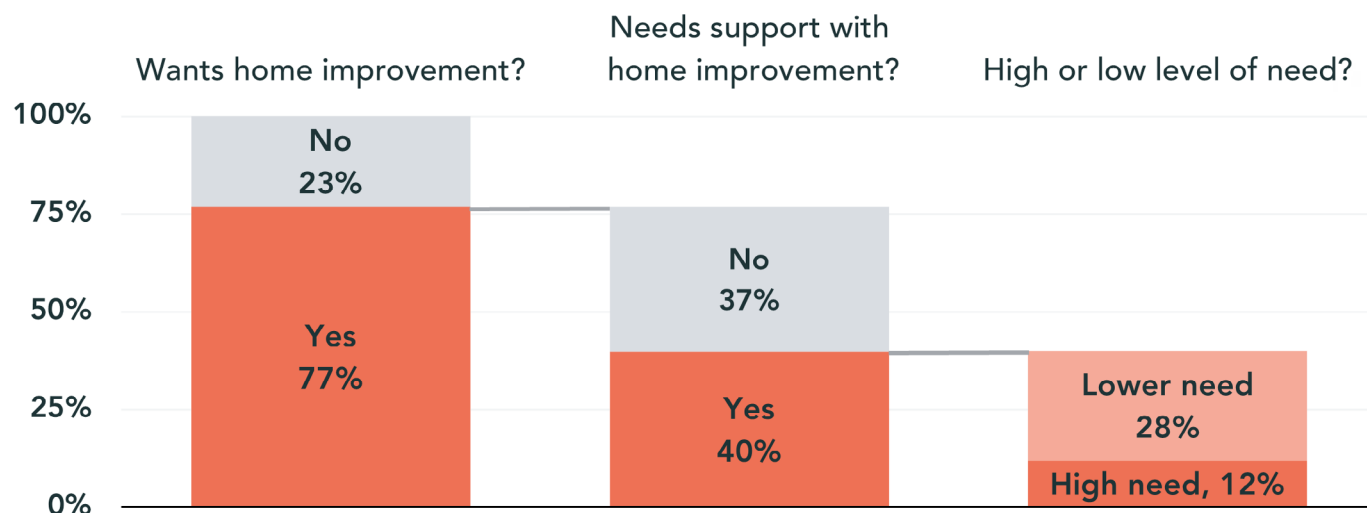
⁹ Analysis of data from the Good Home Inquiry survey. A preview of the data be found here: Centre for Ageing Better, Home improvement survey, 5 May 2021, <https://www.slideshare.net/slideshow/home-improvement-survey-247801967/247801967>

the coming two years, but would not be able to deliver these or don't know if they will.¹⁰ That represents 21.9 million people, or approximately 11.6 million households.^{11,12}

Of these, the Good Home Inquiry survey tells us that approximately 30% feel that not making the improvement "will be a daily inconvenience" for them. We categorise these people as having 'high-need' for home improvements - representing 12% of the adult population (6.6 million people or approximately 3.5 million households).

CHART 1

PERCENTAGE OF UK ADULTS NEEDING HOME IMPROVEMENTS AND NEEDING SUPPORT TO DELIVER THEM



Levels of need for Good Home Hubs vary across different demographic groups, as illustrated in Figure 2. In looking at the need by age, we find that people needing support for home improvements includes 49% of Gen Z adults, 42% of millennials, 48% of Gen X and 32% of Baby Boomers.^{13,14} This aligns with findings from the English Housing Survey that younger people are more likely to report that their accommodation was unsuitable for their needs - potentially reflecting younger people's higher likelihood of being in the private-rented sector (where low-quality homes are more prevalent).^{15,16}

Levels of need also tend to increase with household size, with 51% of households with four or more people needing home improvements (and 16% with high need), compared to just 33% of those with two people (9% with high need). Across the UK's regions, we see levels of need highest in the midlands (with the West Midlands, East Midlands, and East Anglia having the highest rates).

10 Of those unable to deliver the repairs, 18% gave the reason that they were worried about having people in my home due to COVID-19 (when the survey ran in 2021). Given the reduced prevalence of and concern about COVID-19 over time, we can safely assume this number is lower now. While we recognise that some of this group may continue to hold these concerns, we exclude them from the analysis to avoid overestimating the demand. Importantly, also, some of this group may have cited this reason alongside other reasons. However, due to the inability to differentiate these responses in the data, we have excluded the entirety of this group, again to avoid overestimating.

11 With the total UK population estimated to be 69.6 million in 2025, and assuming the same proportion of adults as recorded in the 2021 census (79.1%), the adult population in the UK would be 55.1 million.

12 The estimate of the number of households assumes that the group of people needing the services reflect the average household size of the UK (2.4). It divides the total population in need (27.8 million), rather than the adult population in need, by the average number of households. This is likely an underestimate, as survey data tells us that levels of need are higher among those with larger households.

13 As of 2023, there were approximately 13.2 million people in Generation Z, 14.7 million millennials, 14.0 million in Generation X, and 13.6 million Baby Boomers at 13.57 million.

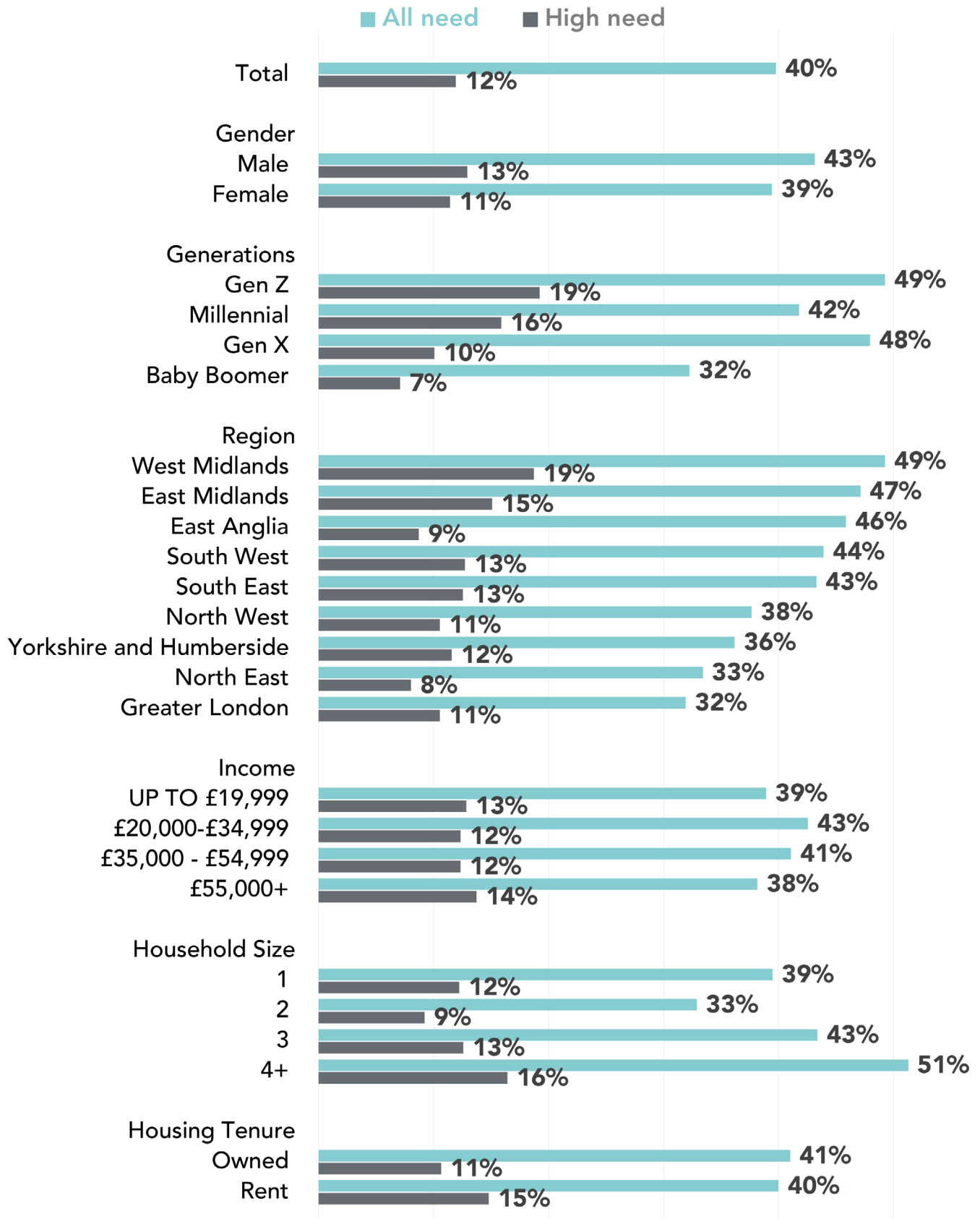
14 Statista, Estimated population of Millennials in the United Kingdom in 2023, by single year of age and gender, 24 October 2024, <https://www.statista.com/statistics/630938/uk-millennial-population-by-age/>

15 DLUCH, English Housing Survey 2022 to 2023 Headline Report, 14 December 2023, <https://www.gov.uk/government/statistics/chapters-for-english-housing-survey-2022-to-2023-headline-report/chapter-1-profile-of-households-and-dwellings>

16 MHCLG, English Housing Survey 2022 to 2023: rented sectors, 18 July 2024, <https://www.gov.uk/government/statistics/english-housing-survey-2022-to-2023-rented-sectors/english-housing-survey-2022-to-2023-rented-sectors>

CHART 2

PERCENTAGE OF PEOPLE WHO ARE PRIORITISING HOME IMPROVEMENTS BUT FEEL UNABLE TO DELIVER THESE*



*'High need' includes only those who feel that not making the improvement will cause " a daily inconvenience" for them. Source: Good Home Inquiry survey, <https://www.slideshare.net/slideshow/home-improvement-survey-247801967/247801967>

Engagement with Good Home Hubs

As with all government services, the level of engagement may be significantly lower than the level of need. This is because people who need the services may not have heard of the service, may not trust the service, or may not have the time to engage with it.

We provide estimates for engagement based on three different scenarios:

- **Scenario 1:** based on engagement with a sample of 27 current home improvement services responding to an evaluation survey.
- **Scenario 2:** based on engagement with a sample of eight large home improvement services. These may reflect Good Home Hubs more closely, as the Hubs are designed to deliver more services than most current providers.
- **Scenario 3:** based on engagement with Sure Start centres.

Alongside scenarios based on current levels of engagement, we use a scenario based on Sure Start centres because a national-level focus on Good Home Hubs (like that which Sure Start centres experienced) could affect levels of engagement (e.g. higher awareness could boost demand, but services being expanded to areas with lower levels of need could hinder demand). Sure Start centres were physical hubs rolled out across the country providing advice and support services (specifically for new parents).¹⁷ We note that there are similarities, but also differences between Sure Start centres and Good Home Hubs (as discussed in Annex 1). Yet, given the high-quality evaluation data on the levels of engagement with Sure Start’s advisory services (unlike for many other comparable initiatives), it remains a useful comparator.

SCENARIO	DESCRIPTION	IMPLIED ENGAGEMENT
1: Current home improvement service: average model	An upcoming evaluation of home improvement services by the Centre for Ageing Better - using a non-representative sample of 27 services - found that the average home improvement agency responding provided services for 1,597 households per year. ¹⁸ This scenario assumes these home improvement agencies are rolled out across all local authorities in the UK. ¹⁹	390,945 households per year
2: Current home improvement service: high-provision model	Analysis by the Centre for Ageing Better of eight larger home improvement services - which may be representative of a standard Good Home Hub - found that they provided services for 17,950 households in total in 2023/24, or 2,243 on average. ²⁰ This scenario assumes this type of home improvement agency is rolled out across all local authorities in the UK. ²¹	549,270 households per year

¹⁷ While Sure Start centres also offer Childcare and Nursery Education (which is less applicable to Good Home Hubs), we look at the level of engagement specifically with the family and parenting or health advice services, which are most similar to the services offered by Good Home Hubs.

¹⁸ Upcoming evaluation of home improvement agencies from Sheffield Hallam University and the Centre for Regional Economic and Social Research. This uses a non-representative sample of around 14% of home improvement agencies, selected based on those who responded to the survey request.

¹⁹ Currently, there are around 200 Home Improvement Agencies (HIAs) in England covering 82% of local authorities, equivalent to around 125 local authorities at the county or unitary level. This represents 1.6 HIAs per local authority on average, each serving 1,597 households. Across 153 local authorities, that represents 390,945 households per year.

²⁰ This is from a non-representative sample of around 14% of home improvement agencies, selected based on those who responded to the survey request.

²¹ As above, this assumes 1.6 HIAs per local authority.

SCENARIO	DESCRIPTION	IMPLIED ENGAGEMENT
3: Sure Start centres model	<p>A 2009 evaluation shows that, since Sure Start children’s centres rolled out in 2004, approximately 13.2% of parents in the catchment area (i.e. the target users) had used either the parenting or health advice services (excluding those using childcare services).^{22,23}</p> <p>In this model, we assume the target users of Good Home Hubs are all people who need support with home improvements (40% of the population).</p>	<p>Approximately 1.53 million households engaging in the five years post-roll out, of which approximately 459,400 are high-need.</p> <p>Importantly, some of these users would be repeat users, so annual engagement would be higher than the average across those years suggests.</p>

It is also important to note that current market sentiment suggests that demand will increase in coming years. Of home improvement organisations surveyed during an evaluation of home improvement services, 78% said they expected demand to increase in the next three years, compared to just 8% saying they expected decreases.²⁴

SUMMARY

The demand for Good Home Hubs is significant, with 40% of UK adults (11.6 million households) prioritising home improvements but facing barriers to completing them. A significant proportion, 12% of the adult population (3.5 million households) have ‘high need’, meaning not making improvements would cause them daily inconvenience. While not all of those who need the services of Good Home Hubs will engage, we expect engagement to be significant. Models vary, but suggest engagement of around 390,000-550,000 households per year or 1.53 million households over the next five years with the potential for repeat users. Level of need and engagement are also likely to grow.

22 Department for Children, Schools and Families, Sure Start Children’s Centres: Survey of Parents, 2009, <https://dera.ioe.ac.uk/id/eprint/11360/1/DCSF-RR083.pdf>

23 9% used parenting and family advice services, while 13% used health advice services. The evaluation also found that 55% used one type of service, while 31% used two types. Assuming the proportion of service users using just one service was the same across all service types, this would mean 5.0% using only parenting advice services and 7.1% using only health advice services. It would also mean 31% of health users using an additional service (4.0% of users total). Assuming this 4% used each alternative service type in proportion to the overall rates of use, this would mean 1.1% using parenting services and 2.9% using childcare services. Overall, this would mean those using only parenting advice service, only health advice services, or both of these but not childcare services would make up 13.2%. Importantly, roll out ramped up each year from 2004 onwards, so engagement likely increased each year.

24 Upcoming evaluation of home improvement services from Sheffield Hallam University and the Centre for Regional Economic and Social Research.

CHAPTER TWO

COST OF GOOD HOME HUBS

This section considers the cost of Good Home Hubs, as well as the savings generated by reducing spending on current home improvement services and the wider savings for public finances in the longer-term.

Costs

The cost of Good Home Hubs across the UK is estimated to be £245m. This is based on research by the Centre for Ageing Better on the delivery of a Good Home Hub-type model in Lincolnshire county council. The cost of an average Good Home Hub was estimated at £1.6m per local authority (either county councils or single tier councils, of which there are 153), based on the costs of 27 staff members:

- 6x information, advice and casework staff
- 8x home improvement advisors
- 4x handyperson
- 4x practical support staff
- 5x service development, coordination and administration staff

These costs are based on a model whereby the service is located within existing local authority buildings and infrastructure (with staff engaging with residents through email, phone calls, and home visits). This model therefore includes few set-up costs.

Immediate savings

It is important to note that the cost of Good Home Hubs is likely to lead to significant cost savings elsewhere, in particular around current home improvement services. This means the additional spending required will be significantly smaller than the overall implementation cost.

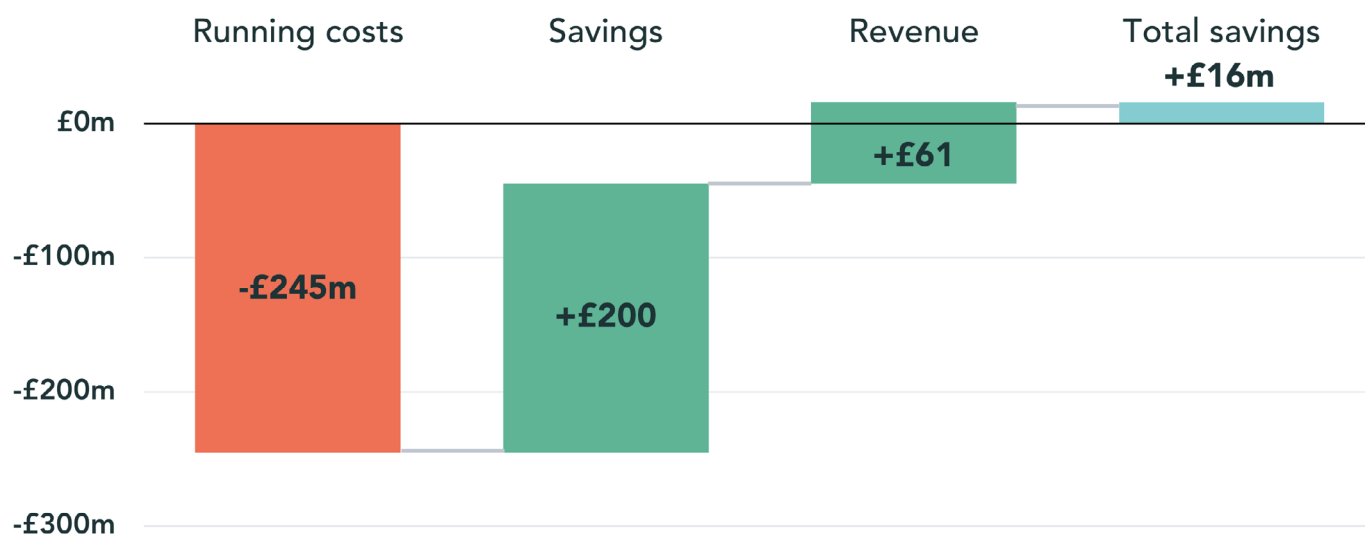
The upcoming evaluation of home improvement services suggests the average expenditure of home improvement services (minus the delivery of grants) across a sample of 25 surveyed home improvement agencies was £1 million.^{25,26} If we take this as broadly representative of spending across all UK home improvement services, this suggests around £200 million is already spent on these services annually. Given these services could almost entirely be integrated into the Good Home Hubs model, the current spend of approximately £200 million would be saved as Good Home Hubs are rolled out.

Short-term revenue

Good Home Hubs will offer a range of services that could charge a fee and raise revenue for the service. The Centre for Ageing better estimates that, if a Hub's home improvement advisory service charged a fee of 10% to 15% of the value of works completed, they could expect income of £300,000 annually per hub. Scaling this across all UK hubs would represent revenue of £45.9 million. The Centre for Ageing better also estimate that a handyperson service for a Good Home Hub could raise £100,000 in revenue annually, equivalent to £15.3 million across the UK. Collectively, this represents £61.2 million annually.

In addition to the annual savings of £200 million, this would mean Good Home Hubs would pay for themselves, and deliver a net gain of £16 million.

FIGURE 3
APPROXIMATE ANNUAL COSTS OF GOOD HOME HUBS AND SAVINGS AND REVENUE GENERATED, ASSUMING NO SET-UP COSTS



Medium to long-term savings

In the medium to long-term, the benefits of Good Home Hubs will begin delivering significant benefits to the public finances, through job creation - which drives up tax revenues - and savings to the NHS. For example, research by the Fraser of Allander Research Institute at the University of Strathclyde on the economic benefits of stimulating home improvement and repairs in Scotland found that for every £1 invested, £2 was generated in economic benefits, particularly through job creation.²⁷ Previous Demos research also found that a package of policies on

25 Upcoming evaluation of home improvement services from Sheffield Hallam University and the Centre for Regional Economic and Social Research.

26 The average home improvement services' total expenditure in the latest financial year was £3.8 million. Yet, 74% of this (£2.8 million) was spent on grants.

27 Fraser of Allander Research Institute, The economic, social and environmental benefits of stimulating repairs and improvements to the Scottish built environment to aid a green recovery from Covid-19, February 2021

home improvement costing £625m per year would deliver £858m savings to the NHS per year, providing a reduction in the overall cost of public services.²⁸ Some evidence suggests the figure across health and care could be much higher. Somerset Independence Plus, who operate a Housing Hub model, found that every £1 invested in minor home adaptations led to £3.17 in savings in health and care costs.²⁹

SUMMARY

The implementation of Good Home Hubs involves both annual running costs and initial capital investment, but these are offset by significant savings and potential revenue streams. Taken together, Good Home Hubs are expected to pay for themselves, and deliver a net gain of £16 million. This benefit should be also considered alongside the medium to long term benefits and fiscal savings that Good Home Hubs would provide.

28 O'Brien A, The Triple Dividend of Home Improvement – Part Two: Overcoming the Health and Care Polycrisis, Demos, 7 September 2023, https://demos.co.uk/wp-content/uploads/2023/09/Triple-Dividend-Part-Two_FINAL.pdf

29 Somerset Independence Plus Business Plan November 2024.

CHAPTER THREE

FINANCING GOOD HOME HUBS

We have seen that Good Home Hubs would cost £245 million. While the Hubs would drive savings of £200 million from existing services and raise revenue on top, the cost still needs to be financed. Much of this could be covered by redirecting funding for existing home improvement services. This section therefore first explores the complex landscape of current funding channels.

Beyond existing funding channels, it would also be beneficial to finance the cost of Good Home Hubs through private funding (saving public funds) or outline additional avenues for public funding (to cover additional costs, support service expansion, and/or ensure service sustainability over time). This section also explores opportunities for additional funding.

THE CURRENT FUNDING ENVIRONMENT

As noted, home improvement services currently spend around £200m annually. Funding for this could be carried over to Good Home Hubs. The main sources of this funding are:

- Disabled Facilities Grants
- Energy-efficiency grants
- Local authority funding
- Loan services

Disabled Facilities Grants (DFGs)

The largest source of grant funding for home improvements are DFGs. These are provided by local authorities to pay for essential adaptations to give disabled people greater access

and freedom of movement in their home.³⁰ The adaptations must be deemed 'necessary and appropriate', and there is then a means-test based on the applicants 'ability to pay'. Some applicants may be asked to contribute to the cost of adaptations.

In 2024-25, £711 million was allocated by the Ministry of Housing, Communities and Local Government to local authorities to fund DFGs, and this has increased rapidly in recent years.³¹ Of home improvement agencies responding to the survey as part of the upcoming evaluation, 90% received DFG funding to either provide adaptations themselves or transfer the grants, and three quarters of them receive over £1 million in DFG.

However, while funding allocated for DFGs was ring-fenced towards home improvements services until 2010, this has now ended. The funding from central government for DFGs has since been paid into larger pots which pool together different bits of funding. From 2015, it has been pooled specifically into the Better Care Fund, from which Integrated Care Boards and local authorities can jointly commission health and social care services.

Stakeholders told us about the risks this creates for home improvement services, as the funding for home improvement gets redirected into wider social care services. This is particularly the case given the mounting pressures on local government finances.

Energy-efficiency grants and additional grants

Beyond DFGs, alternative government grants for home improvements primarily focus on energy efficiency. These are listed below. For funds administered by local authorities, part of the funds support service delivery by local authorities, which could be channeled through Good Home Hubs. In some cases, this includes services such as home assessments.³²

SCHEME	DESCRIPTION	ADMINISTRATOR	AMOUNT
Energy Company Obligation (ECO) scheme	Funds energy efficiency improvements for low income and energy-inefficient households.	Local authorities	£1bn annually from 2022-26 ³³
Warm Homes Fund: Social Housing	Fund to improve energy efficiency of social housing	Local authorities	£1.29 billion 2025-28 ³⁴
Great British Insulation Scheme (GBIS)	Fund insulation for energy inefficient homes	Ofgem	£1bn from 2023-26 ³⁵

30 Wilson W, Disabled facilities grants (DFGs) for home adaptations, <https://researchbriefings.files.parliament.uk/documents/SN03011/SN03011.pdf>

31 Foundations, DFG Performance Report, <https://wwwFOUNDATIONS.UK.COM/library/dfg-performance/>

32 Gov.UK, Home Upgrade Grant, <https://www.gov.uk/apply-home-upgrade-grant>

33 Department for Business, Energy and Industrial Strategy, Energy Company Obligation, July 2021, <https://assets.publishing.service.gov.uk/media/6113ec46d3bf7f04482f89d0/eco4-consultation.pdf>

34 Department for Energy Security and Net Zero, Warm Homes: Social Housing Fund Wave 3 - budget allocation, 21 November 2024, <https://www.gov.uk/government/publications/warm-homes-social-housing-fund-wave-3-budget-allocation>

35 Department for Energy Security and Net Zero, Summary of the Great British Insulation Scheme, 18 January 2024, <https://www.gov.uk/government/statistics/great-british-insulation-scheme-release-january-2024/summary-of-the-great-british-insulation-scheme-january-2024>

SCHEME	DESCRIPTION	ADMINISTRATOR	AMOUNT
Home Upgrade Grant scheme	Fund to improve energy efficiency improvements for lower-income households	Local authorities	£630m from 2023-25 ³⁶
Warm Homes Fund: Local Grant	Fund to improve energy efficiency of owned or privately rented housing among lower-income households	Local authorities	£500m from 2025-28
Boiler Upgrade Scheme	Grant to support replacement of boiler with heat pump or biomass boiler.	Ofgem	£450m from 2022-25 ³⁷

There are additional grants that can be used for home improvement support services, though these are less common. For example, one service provider told us how they funded their home assessment service through grants from the Homes for Ukraine scheme - which supported British nationals to host Ukrainian refugees in their homes and provided local authorities with £10,500 per arrival, in part to check eligibility of hosts and their homes.³⁸ Using this funding for home assessments meant previous funding could be directed to expand services elsewhere.

Local authority financing

Local authorities may provide core funding for housing improvement services, generally through either adult social care or housing teams within local authorities. The Somerset housing improvement team, for example, gets core funding of £300,000 from the council's housing revenue account.³⁹

Loans services

Local authorities also often offer loans for home improvements, including:

- Capital repayment loans: a loan requiring regular repayments, used to support homeowners with modest cost home improvements where repayment is affordable.
- Equity share loans: a loan in which repayment is deferred until the applicant no longer occupies the property, and equity can be released on the property.

These loans may be administered within a local authority, across a group of local authorities, or via an external financial organisation - and the money made from this service can fund the service itself. Sheffield Council, for example, leads an equity share loan scheme across a range of councils. An independent valuer assesses the property value before the loan is granted and

³⁶ Department for Energy Security and Net Zero, Summary of the Green Homes Grant Local Authority Delivery (LAD) and Home Upgrade Grant (HUG) statistics, 26 September 2024, <https://www.gov.uk/government/statistics/green-homes-grant-local-authority-delivery-lad-and-home-upgrade-grant-hug-release-september-2024/summary-of-the-green-homes-grant-local-authority-delivery-lad-and-home-upgrade-grant-hug-statistics-september-2024>

³⁷ Carter M, How much money is the UK government spending on retrofit?, Oracle Solutions, <https://www.oracleasbestos.com/blog/retrofitting/uk-government-spending-on-retrofit/>

³⁸ House of Commons Committee of Public Accounts, Homes for Ukraine, 5 February 2024, <https://committees.parliament.uk/publications/43430/documents/216162/default/>

³⁹ Somerset Independence Plus Business Plan November 2024

when the loan is redeemed. The amount to be repaid is then calculated based on how much the value appreciated. Since the scheme started in 2005, almost 2,000 loans have been approved, worth over £35 million overall. Of these, almost 650 have been redeemed, worth £9 million. The cost of staff administering the loan is covered wholly from redeemed loans, and based on current trends, this service is expected to be financially sustainable until 2040/41.⁴⁰

OPPORTUNITIES FOR ADDITIONAL FINANCING

Based on our review of the evidence and conversations with stakeholders, we have identified various opportunities for Good Home Hubs to attract additional funding beyond what is currently provided for home improvement services. Options are listed in the table below, and then discussed in more detail.

FUNDING OPTION	DESCRIPTION
Integrated settlements	Agreements are being provided for Mayoral Combined Authorities which outline a single flexible pot of funding with a single outcomes framework. This could include funding for Good Home Hubs.
Transition to unitary authorities	The government is planning to transition all two-tier local authorities (with county and district councils) into single-tier, at which point funding will be reorganised and could be directed to Good Home Hubs.
Additional government funding	Beyond DFGs and energy efficiency grants, finance for Good Home Hubs could come from healthcare funding or areas like levelling up funding.
Charging for home assessments and advice	The Centre for Ageing better estimated that charging a fee of 10% to 15% of the value of works completed on home improvements could raise revenue of £45.9 million. this revenue could grow if Good Home Hubs can get commission on a broader section of the market or charge higher fees.
Scaling up loan services	While some home improvement advice services offer loans to residents needing home improvements (generally with reduced interest rates), loans could be offered across all Good Home Hubs, potentially at market interest rates, boosting revenue.
Additional market-based income streams	Beyond grants and selling services to residents, there are other assets that Good Home Hubs could sell, including carbon credits (records of emission reductions which can be sold on carbon markets), website advertising or supplier data (on home improvement-related services in an area).
Blended finance	Government can strategically use investment to leverage investment from the private sector, which could help attract investment into home improvement services where returns are high, but the risks are too high to attract private investment otherwise.
Civil society funding	Civil society - including charities and trusts - have funded home improvement advice services before through grants and donations, and Good Home Hubs may attract this funding.

40 Centre for Ageing Better and Foundations, Financing Home Improvements, April 2024, <https://ageing-better.org.uk/sites/default/files/2024-04/local-authority-home-improvements.pdf>

Integrated settlements

At Autumn Budget 2024, the government announced that ‘integrated settlements’ will be implemented for a range of combined authorities. These are outcome frameworks, agreed mutually between government and the combined authority, that are monitored over a Spending Review period and will have a flexible pot of funding to deliver those outcomes.⁴¹ These will be implemented for Greater Manchester and West Midlands Combined Authorities at the start of the 2025-26 financial year, and for four Mayoral Combined Authorities in the North East, South Yorkshire, West Yorkshire and Liverpool City Region from 2026-27.

The functional responsibilities for the integrated settlement for the 2025-26 financial year include “Regeneration via enabling and improving local housing supply” as well as “Retrofitting social housing; and all other residential buildings focusing on households at risk of fuel poverty in the local area”.⁴² This represents a clear opportunity for funding for Good Home Hubs to be directed through these settlements.

In the integrated settlements for which details are already provided, however, funding for home improvements has been lacking. Both settlements include funding for retrofitting under Warm Homes grants (£34.5m for West Midlands and £26.6m for Greater Manchester), but the ‘housing and regeneration’ function only includes funds for brownfield regeneration, rather than for home adaptations.⁴³

Nevertheless, further changes may still be made to these Integrated Settlements, providing an opportunity for greater funding for home improvements, and details have not yet been provided for the four other Mayoral Combined Authorities implementing settlements from 2026-27.

Stakeholders explained to us that, key to getting grants for home improvements services is proving value-for-money. It will therefore be critical that Good Home Hubs can provide substantial evidence on the impact they are having on health and wider objectives,

Transition to unitary authorities

The English Devolution White Paper, published in December 2024, outlined plans to consolidate all two-tier local authorities (those split into county and district councils) into single-tier unitary authorities.⁴⁴ Alongside this, some existing unitary authorities would be re-organised if this was deemed useful. Councils in an area are expected to work together to develop proposals for this reorganisation, and the white paper emphasises that this offers “opportunities for service transformation” such as integrating multiple services to “develop preventative and holistic services”.⁴⁵

Multiple local authorities emphasised to us that this transition represents an opportunity to provide additional focus on and funding for Good Home Hubs, and in turn to accelerate the model across the UK. If the case for the effectiveness of Good Homes Hubs can be effectively made - particularly around supporting preventive and holistic services - it could play a key role in proposals for local authorities’ re-organisation. This could include core funding from housing or social care services.

Local authorities were concerned, however, that home improvement services would get overlooked or de-prioritised as various services competed for attention and funding during this

41 MHCLG, English Devolution White Paper, 16 December 2024, <https://www.gov.uk/government/publications/english-devolution-white-paper-power-and-partnership-foundations-for-growth/english-devolution-white-paper>

42 MHCLG, Integrated Settlements for Mayoral Combined Authorities, 30 October 2024, <https://www.gov.uk/government/collections/integrated-settlements-for-mayoral-combined-authorities>

43 MHCLG Integrated Settlements for 2025 to 2026, 20 December 2024, <https://www.gov.uk/government/publications/integrated-settlements-for-2025-to-2026>

44 MHCLG, English Devolution White Paper, 16 December 2024, <https://www.gov.uk/government/publications/english-devolution-white-paper-power-and-partnership-foundations-for-growth/english-devolution-white-paper>

45 Ibid.

transition. One service provider told us that “unless it’s in a white paper that Home Hubs are needed, there will be naval gazing for years.”

Importantly, also, Good Home Hubs could play a role in ensuring local authorities meet their statutory duties. One stakeholder explained to us how, while local authorities have a responsibility to understand housing conditions in their local area (under the Housing Health and Safety Rating System), many aren’t fulfilling this, as housing teams lack the capacity to do this.⁴⁶ In building up expertise and a knowledge base around housing quality in an area, Good Home Hubs could deliver these statutory duties more effectively.

Additional government funding

Alongside the main grants that fund home improvement support services (DFGs, energy-efficiency grants), additional finance could come from the NHS or Department of Health and Social Care (DHSC). Home improvement service providers told us that given their health-related impacts, there is a strong case for this funding.

There is also a precedent. For example, through West Yorkshire Health and Care Partnership’s Winter Warmth Programme, NHS funding was invested in fixing boilers, carrying out home repairs, installing energy efficiency measures and appliances, providing information and advice, and providing direct payments of fuel.⁴⁷ Healthcare funding channeled through local authorities for care purposes is also common. For example, in 2024-25, the total public health grant to local authorities is £3.7 billion, and DHSC also gave £500 million to local authorities to speed up hospital discharge (which was incorporated into the Better Care Fund).^{48,49}

The case for using healthcare funding is strengthened by the fact that these support services help members of the public access government funds that they would not otherwise access. This work therefore brings additional government money into healthcare-related work which would otherwise not be claimed - providing a boost for the sector.

Good Home Hubs could also bring in additional government grant funding by delivering additional services. One home improvement service told us how they have got funding from the levelling up fund for reskilling people in the local area, whereby they run courses in energy retrofit education and get a fee for every client through the scheme. Good Home Hubs could adopt this model, reskilling people in home repairs, construction, and retrofitting.

Charging for home assessment and advice

The Centre for Ageing better have estimated that charging a fee of 10% to 15% of the value of works completed on home improvements could represent revenue of £45.9 million. The extent to which more revenue could be raised depends upon what value of services Good Home Hubs can get commission on at different rates. Evidence suggests commission for referral services generally; referral fees tend to range from 1-5% for large deals with low levels of involvement, but may go from 5% up to 35% for a smaller deal with a high level of involvement.⁵⁰

ONS data shows that £42.9 billion was spent on contracted-out home improvements in 2023-24 (excluding central heating and bathroom fittings) (5.0% of all spending). Tapping into this could enable large returns on investments, depending on the rate of commission and extent to which the market would be channelled through the Hubs.

46 Citizens Advice, Ask the council to check if your rented home needs repairs, <https://www.citizensadvice.org.uk/housing/repairs-and-housing/repairs-and-housing-conditions/getting-your-landlord-to-do-repairs/asking-the-council-to-help-you-get-repairs-done/local-authority-help-with-repairs-housing-health-and-safety-rating-system/>

47 Centre for Ageing Better, Healthy homes NHS initiatives to improve health by improving homes, November 2024, <https://ageing-better.org.uk/sites/default/files/2024-11/Healthy-Homes.pdf>

48 DHSC, Details of £500 million discharge fund, 17 November 2022, <https://www.gov.uk/government/news/details-of-500million-discharge-fund>

49 HFMA, Introductory guide to NHS finance, 4 February 2025, https://www.hfma.org.uk/system/files/2024-09/HFMA%20introductory%20guide_September%202024.pdf

50 Zipursky M, Consulting Referral Fees: What’s A Typical Finders Fee For Consultants?, 23 August 2023, <https://www.linkedin.com/pulse/consulting-referral-fees-whats-typical-finders-fee-michael-zipursky>

COMMISSION RATE	PROPORTION OF MARKET PAYING COMMISSION	REVENUE
5%	5%	£107 million
10%	5%	£215 million
15%	5%	£322 million
2%	10%	£86 million
5%	10%	£215 million
10%	10%	£429 million
2%	20%	£172 million
5%	20%	£429 million
10%	20%	£858 million

This figure is variable, however, depending on whether the payment of this commission is means-tested, and what the conditions are. DFGs - which are means tested for anyone over the age of 18, meaning some applicants have to make a private contribution towards the cost of any adaptations - can be illustrative of this.⁵¹ Of all DFG recipients in 2021/22, just 6.2% made a private contribution, with an average contribution per person of just under £2,500. This puts the total value of private contributions to adaptations at £7.9m, which is just 1.4% of the total value of adaptations made through DFGs (£581m). While this figure is particularly low because the grants are intended to be widely accessible, it illustrates that means-tests may mean very few people making a private contribution.

A critical consideration of raising revenue this way is also about how incentives are structured. Multiple stakeholders emphasised to us the importance of attracting engagement with free advisory services, proving value and building trust, and then charging for more in-depth services after.

Scaling up loan services

As noted, various local authorities provide loans for households seeking to improve their homes. There could be potential for Good Home Hubs to provide and scale up these services, and potentially provide surplus funds to finance other services. One stakeholder we spoke to, for example, told us about the success they had seen in delivering equity share loans to landlords in the private rented sector, and felt there was a promising potential to scale up.

Lendology, a social enterprise which administers both capital repayment loans and equity share loans using funding from 18 councils and a combined authority - currently has £10 million out on loan across 18 councils and a combined authority. Scaling this across the UK would mean around £96 million on loan.⁵² Lendology charges approximately 4% interest annually on loans, which are worth £10,781 on average.⁵³ If this rate was charged on the £96 million of loans across the UK, it would raise £3.8 million of revenue each year. Yet, given Lendology is not-for-profit, we can presume this revenue would approximately cover the additional costs of administering this service within Good Home Hubs, without much surplus to support other services within the Hubs.

51 The Financial Inclusion Centre, Private Sector Housing: Home Improvement Finance Guidance Note 1: Research and Literature Review June 2024. <https://inclusioncentre.co.uk/wp-content/uploads/2024/06/Toolkit-research-and-literature-review-June-2024.pdf>

52 Lendology's partners - 18 councils and a combined authority - represent the equivalent of 16 local authority at unitary/county level.

53 Lendology, Social Impact Report 2023/24, September 2024, <https://www.lendology.org.uk/wp-content/uploads/2024/09/Lendology-Social-Impact-Report-2024.pdf>

Importantly, however, the 4% interest rate is lower than the current market rates for loans around the £10,000 mark, which tend to offer rates of around 6%.⁵⁴ Charging at the market rate would raise an additional £1.92 million, which could then be used to support other services within the Hubs.

Additional market-based income streams

SOURCE OF INVESTMENT RETURN	DESCRIPTION	EVALUATION
Carbon credits	<p>When improving the energy efficiency of homes, local authorities can claim 'carbon credits', which are records of how much emissions were reduced by. These can then be sold in the carbon market, primarily to industries who have a cap on their emissions, but can produce more emissions if they buy carbon credits.</p> <p>For example, HACT is an organisation who will calculate housing providers' potential emission reductions and create 'Verified Carbon Units' (carbon credits).⁵⁵ Their pilot involved 6,716 homes and is projected to generate income of £7.4m (£1,100 per house).</p>	<p>The scale of retrofitting needed in the UK is huge; the Climate Change Committee states that the UK needs one million residential retrofits annually from 2025 to 2030 to reach our net zero target.⁵⁶</p> <p>Claiming carbon credits could therefore provide a huge revenue source for Good Home Hubs delivering just a portion of these retrofits. At the same time, engaging with carbon credit schemes would incentivise an expansion in retrofitting activity, accelerating net zero.</p> <p>A concern is that, for retrofitting activity which would already have taken place (and would therefore have reduced emissions), claiming carbon credits would add to emissions, because the credit is then used by another organisation to increase their emissions</p>
Website adverts	<p>If Good Home Hub websites receive significant engagement, advertising could bring in significant revenue. One home improvement advice service told us that website advertising was their single biggest revenue source.</p>	<p>As a national service with a specific target audience (which makes it easier to target advertising), Good Home Hubs could generate significant revenue from advertising.</p>

⁵⁴ MoneySuperMarket, Find the right £10,000 loan for you, <https://www.moneysupermarket.com/loans/10000-loans/>

⁵⁵ HACT, Retrofit Credits, <https://hact.org.uk/retrofit-credits/>

⁵⁶ Construction Update, Residential retrofits must reach one million per year by 2030 to meet UK net zero aim: How can copper support this demand?, June 2024, <https://construction-update.co.uk/2024/05/23/residential-retrofits-must-reach-one-million-per-year-by-2030-to-meet-uk-net-zero-aim-how-can-copper-support-this-demand/>

SOURCE OF INVESTMENT RETURN	DESCRIPTION	EVALUATION
Website adverts	<p>Many local authorities also use website advertising. Around 40 local authorities, for example, partner with the Council Advertising Network (CAN), which administers socially responsible advertising for councils (as well as organisations like Transport for London).⁵⁷ CAN claim that an average metropolitan borough council generates £10,000-£20,000 annually from web advertising if done alone, but by joining other councils and offering scale, it could generate over £50,000.⁵⁸</p>	<p>A risk, however, is that adverts could reduce trust in Good Home Hubs, as evidence suggests website advertisements can reduce trust and engagement.^{59,60}</p>
Selling supplier data	<p>Good Home Hubs would build up knowledge, and likely data, about housing options in local areas, including:</p> <ul style="list-style-type: none"> Specialist housing providers Handyperson services Renovation services Loan providers Care services <p>If building a database around these services (i.e. the services provided, location, costs, size), this could represent a unique resource, which could be monetised. For example, one house improvements advisory service explained to us how they had a national database of specialist housing in the UK, and offered a subscription to this data to specialist housing and housing providers. Good Home Hubs could offer a similar model across the various services outlined above.</p>	<p>The value generated by this could be quite low. A housing support service we spoke to noted how £45k per year from their subscription service offering data on specialist housing across the UK. While Good Home Hubs could scale this up across multiple services and potentially attract a high degree of demand, the total revenue is likely to remain low relative to the total cost of the Hubs.</p> <p>A factor to consider with this approach is how it would impact the relationship with service providers. In one sense, service providers may avoid engaging with Good Home Hubs to ensure their data is not included in the database. At the same time, by providing a useful tool, it may raise the awareness of respect for Good Home Hubs among these service providers.</p>

57 CAN advertising network, Generating income from public sector websites, <https://can-digital.net/generate-income-from-council-websites-can-advertising-network/>

58 Clark L, Local councils need to 'share and earn' more advertising income, CAN advertising network, <https://can-digital.net/local-councils-need-to-share-to-earn-more-advertising-income/>

59 Tomac E, 67% of Buyers Trust Review Sites With Ads Less, 8 July 2019, TrustRadius, <https://solutions.trustradius.com/vendor-blog/buyers-trust-review-sites-with-ads-less/>

60 Ibid.

Blended finance

Blended finance is the use of strategic government investment to leverage investment from the private sector. This could be a promising opportunity for home improvement services where they can offer an attractive return on investment, but where the risks are too high to attract private investment (e.g. from social investment funds, commercial investors, private equity, or housing service providers) without government support.

Good Home Hubs could fit these requirements. As noted above, there are multiple ways that the services of Good Home Hubs could deliver a return on investment, including through handyperson services, commission on home improvements, loan interest, and selling market data. Home improvement service providers explained to us that there is demand for these additional services in their area, and that some services (e.g. a handyperson service) could fund themselves through revenue raised.

Importantly, however, because the set-up costs for any of these services are high and revenue may be delayed, an initial injection of capital is needed for set-up. One service provider, for example, told us that it took around 18-months to build their service before it was operational.

Private investors have been known to provide finance for home improvement services. EY, for example, has written about opportunities for private equity investors in home repair and maintenance services.⁶¹ They note that “private equity investors have developed increasing conviction on the economies of scale advantage” for home improvement services, as large investors can benefit from “greater size and sophistication” than many existing providers by leveraging technology and procurement at larger scales.⁶² However, there are multiple challenges with attracting this private investment more widely, including fragmentation of the market for home improvement services (with almost 2,000 companies offering these services in the UK), poor understanding of the market, and uncertainty about the size of the revenue.⁶³

This is where government support can help. There are a range of ways the government could structure an investment in home improvement support services to attract private investment. The table below outlines various options, and assesses the risks and opportunities.⁶⁴

FORM OF INVESTMENT	DESCRIPTION	ANALYSIS
Anchor investment	An initial investment is provided by the government to prove the quality of the service and return on investment, and this hopes to attract additional private investment.	This could prove the value of Good Home Hub services for which evidence about the market is poor (e.g. handyperson services) or the market is underdeveloped (e.g. commission on home improvements). Local authorities could prove the returns on investment by monitoring the costs and returns on their anchor investment, or use the investment to build up a market which is currently underdeveloped.

⁶¹ Levy S, Private equity opportunities in home repair and maintenance services, EY, 29 March 2023, https://www.ey.com/en_us/insights/strategy-transactions/private-equity-can-create-value-in-home-repair-services

⁶² Ibid.

⁶³ Crunchbase, United Kingdom Home Improvement Companies, <https://www.crunchbase.com/hub/united-kingdom-home-improvement-companies>

⁶⁴ Gordon S, Investing in our future, October 2023, <https://www.lse.ac.uk/granthaminstitute/wp-content/uploads/2023/10/Investing-in-our-future-Practical-solutions-for-the-UK-government-to-mobilise-private-investment.pdf>

FORM OF INVESTMENT	DESCRIPTION	ANALYSIS
Concessional return funded structures	Public investment is provided as 'junior capital' alongside private investment as 'senior capital'. This means returns are first granted to private investors before being granted to public investors, or losses are first incurred by public investors before being incurred by private investors. This reduces risks for private investors.	The risks of investing in Good Home Hubs are, in effect, lower for the government than for private investors, because the government is a beneficiary of the social, environmental and health returns of Good Home Hubs, rather than just the economic returns. It therefore makes sense that the government would provide junior capital, accepting a higher risk on the economic returns.
Results-based incentives	For some portion of the returns on investments, returns are only provided if certain outcomes are delivered in the service.	Government could pull in investment, but tie a portion of the payments to, for example, the number of households supported and/or satisfaction rates among customers. This approach can also drive more outcomes-focused delivery. To ensure the investment remains attractive, however, investors may need to be offered low risks through other blended finance mechanisms.

Civil society

Some housing improvement support services have received funds from civil society. For example, Elderly Accommodation Counsel - a charity supporting the dissemination of information about housing options for the elderly - created a free service offering advice about housing and care options for later life. This service was funded partly by public funds, but also by national lottery funds as well as Age UK, a charity. Some home improvement services also offer specific services in collaboration with charities, such as one in Yorkshire and Humber offering a Home Plus Service with Age UK and Groundwork.⁶⁵

This funding could represent an opportunity for Good Home Hubs. For example, the National Lottery has given grants to councils in the past; Luton Council got £1.89m from The National Lottery Community Fund to improve social connections and equality in the town. Meanwhile, Age UK already offers advice and home assessment services to support home improvements for energy efficiency.⁶⁶ Good Home Hubs could potentially work with and draw upon these services.

Good Home Hubs could also expand into other services which complement the services of other organisations, and could open avenues for additional funding. Citizens Advice offers an example of how this could work, securing £6.5 million annually from the Trussell Trust to set-up a 'Help through Hardship helpline', which in turn may refer people to the Trussell Trust foodbank network.⁶⁷ Good Home Hubs could run additional services in, for example, energy advice. Nevertheless, the resources provided are likely to be small relative to the overall cost of Good Home Hubs at a national level.

⁶⁵ Centre for Ageing Better, Evaluation of existing home improvement services in England: Case study profiles, October 2024, <https://ageing-better.org.uk/sites/default/files/2024-10/Good-Home-Hub-Case-Studies.pdf>

⁶⁶ ageUK, Help to keep your home warm, <https://www.ageuk.org.uk/services/in-your-area/warm-homes/>

⁶⁷ Citizens Advice, Our annual reports, <https://www.citizensadvice.org.uk/wales/about-us/information/citizens-advice-annual-reports/>

SUMMARY

The financing of Good Home Hubs will involve leveraging existing funding streams while exploring new opportunities to cover additional costs or expand services. Currently, around £200 million is spent annually on home improvement services, primarily through Disabled Facilities Grants (DFGs), energy-efficiency grants, and local authority funding. Beyond this, additional funding for Good Home Hubs could come from integrated settlements for Mayoral Combined Authorities, the transition to unitary authorities, and healthcare or levelling-up funds. Revenue could also be generated through charging for home assessments, scaling up loan services, and market-based income streams like carbon credits, website advertising, and selling supplier data could further offset costs. Blended finance, combining public and private investment, offers another promising avenue, particularly for services with high set-up costs but high returns, such as handyperson services. Civil society funding, including grants from charities and trusts, could also play a role on a smaller scale.

CHAPTER FOUR

ADMINISTERING GOOD HOME HUBS

There remain various important questions on the administration and delivery of Good Home Hubs. These include:

- Recruiting staff
- Doing outreach
- Building trust
- Collaboration with other Hubs
- Collaboration with current health, social care, and housing services

Recruiting staff

Good Home Hubs may face challenges in recruiting the required staff, particularly if delivering handyperson services given the shortages in tradespeople in the UK (e.g. builders, electricians, and gas engineers).⁶⁸ This problem may be intensified if Good Home Hubs face tight budget constraints, in which case they may find it difficult to compete with salaries in the private sector and adjacent industries.

If Good Home Hubs drive a significant increase in demand for renovations, they may also find skills shortages in the renovation industry, which could take time to build up. In 2024, almost a third of construction employees said the key challenge they faced was finding suitably skilled staff - and it is already estimated that rising demand for construction will require an additional 250,000 construction workers over the next five years.^{69,70}

⁶⁸ Timlin D, The most in demand trades – Skill shortages continue, Tradesman Saver, 30 April 2024, <https://www.tradesmansaver.co.uk/tradesman-insights/the-most-in-demand-trades-skill-shortages-continue/>

⁶⁹ Citb, Over 250,000 extra construction workers required by 2028 to meet demand, 15 May 2024, <https://www.citb.co.uk/about-citb/news-events-and-blogs/over-250-000-extra-construction-workers-required-by-2028-to-meet-demand/>

⁷⁰ Ibid.

To address this, Good Home Hubs could collaborate with local colleges and apprenticeship programs to develop a pipeline of skilled workers. They could offer internships in entry-level roles. The Hubs could also utilise their economies of scale (the advantages received by larger organisations). If the Hubs can work effectively together as a network, they could build these partnerships with educational institutions and internships at a national scale, reducing costs and ensuring these activities are developed according to best practice. Foundations - the National Body for Home Improvement Agencies, Handyperson Services and the Disabled Facilities Grant (DFG) in England - could help facilitate this.

The transition to unitary authorities may represent a promising time to recruit. One stakeholder emphasised that, during the reorganisation into unitary authorities, many local authority staff will be made redundant or looking to switch jobs, providing a wide pool of available staff.

Doing outreach

Alongside local presence, it is also important to use other forms of outreach to extend awareness beyond those who may pass by the Hubs. To be effective, it is important to consider the barriers to engagement faced by hard-to-reach groups, such as older adults or non-native speakers.

Outreach can work both directly (between the Hubs and customer base) or indirectly (via some other organisation such as GPs). Direct outreach may include leaflets to homes or available in community centres, regular updates online and on social media, and a sign-up newsletter. Where relevant, information should be provided in multiple languages. Indirect engagement would include engagement with services that potential customers may interact with, including wider council services, hospitals, GPs, care homes, Citizens Advice, tradespeople, charities, the local MP, and related local businesses. Home improvement services we spoke to noted a variety of indirect methods they use to raise awareness and engagement. For example, one service held regular forums (coffee mornings) with community councils and GP's.⁷¹

Building trust

If residents are to engage with Good Home Hubs, they need to trust that it will work for them. Trust can also build engagement. The most common way people found out about Sure Start centres around their peak in 2009 was through word of mouth (33% of those who were aware), which generally relies on a recommendation from a customer who trusts the service.⁷² Home improvement service providers echoed this point to us, noting how integrating into existing networks of trust, such as local care homes and tradespeople, can drive engagement.

Yet, residents may view the Hubs as ineffective, too bureaucratic, or unwelcoming, especially if they have had negative experiences with similar services in the past. Building trust therefore first requires clear communications about what services are provided, and exactly what they can expect at each step. The Hubs should be sure to provide regular opportunities for residents to hear about their work and engage with them, through newsletters, social media, and community meetings. This should include stories from residents who have benefited from the hub's services to build credibility and demonstrate impact.

The Hubs could also work to bring in the ideas of local residents into the design of the hub to ensure it reflects their needs and priorities while building trust through engagement. One method used by Sure Start children's centres to tackle mistrust was to encourage local families

⁷¹ Centre for Ageing Better and Foundations, Financing Home Improvements, April 2024, <https://ageing-better.org.uk/sites/default/files/2024-04/local-authority-home-improvements.pdf>

⁷² Department for Children, Schools and Families, Sure Start Children's Centres: Survey of Parents, 2009, <https://dera.ioe.ac.uk/id/eprint/11360/1/DCSF-RR083.pdf>

to become involved in training and in helping to run activities in the centre, building familiarity with the community and distrusting households.⁷³

Collaboration with other Hubs

Collaboration among the many Good Home Hubs across the UK will be essential for ensuring best practice, opportunities and risks are shared across the Hubs. It could also help foster collaboration among Hubs, for example in partnerships with educational institutions.

Foundations is the obvious body to lead this. They could take up a greater role in ensuring there are strong channels of communications between the Hubs, and may require additional funding from the government as a result. Alongside this, Combined Authorities could foster collaboration between those in their areas, and could also create forums for the sharing of best practice with Hubs in different combined authorities.

Collaboration with current health, social care, and housing services

Collaboration between Good Home Hubs and similar services across health, social care, and housing is useful for ensuring complementary work, reducing duplication, and sharing best practice. To deliver this, there needs to be effective channels of communication, and aligned incentives.

Several problems make this hard. Existing services may be organised in silos, making it difficult to coordinate efforts and share resources. Different services may compete over funding, preventing collaboration. Meanwhile, privacy concerns and bureaucratic hurdles may hinder the sharing of information.

There are, however, options to mitigate these problems. Good Home Hubs could establish partnerships or Memoranda of Understanding (MOUs) with associated services, facilitating referrals, joint service delivery, shared objectives, and potentially protocols for secure and ethical data sharing. Each service could also provide training across the different sectors, enabling staff to improve understanding of each other's roles and foster collaboration.

SUMMARY

The successful administration of Good Home Hubs faces several key barriers, including staff recruitment, effective outreach, building trust, and fostering collaboration with existing services. Dynamic strategies, including collaboration with educational institutions, GPs and community organisations, Foundations, and existing health, social care, and housing services, will be key to addressing these barriers.

⁷³ National Audit Office, Sure Start Children's Centres, 19 December 2006, <https://webarchive.nationalarchives.gov.uk/ukgwa/20170207052351/https://www.nao.org.uk/wp-content/uploads/2006/12/0607104.pdf>

CHAPTER FIVE

ADVOCATING FOR GOOD HOME HUBS

Making the case for Good Home Hubs requires not just explaining why they are important, but positioning the benefits within the government’s existing strategic priorities. We set out below a range of government priority areas, alongside detail on how the case for Good Home Hubs aligns with these priorities.

GOVERNMENT PRIORITY AREA	THE CASE FOR GOOD HOME HUBS	DELIVERY BODY
Growth mission (mission 1)	Delivering economic growth is at the heart of the Government’s strategy. Good quality housing is critical to physical and mental health (which in turn is essential for keeping people in work) and educational success for young people (which is essential for productivity in work). Ensuring this housing is spread across all parts of the UK will be essential for meeting the government’s target to raise living standards in every part of the UK.	HMT/ Cabinet Office
Clean energy mission (mission 2)	Over 50% of properties are still grading below Energy Performance Certificate (EPC) of C, and the Climate Change Committee states that the UK needs one million residential retrofits annually from 2025 to 2030 to reach our net zero target. ⁷⁴ This scale is huge, and cannot be delivered without radical advances in our approach to home improvements.	DESNZ

⁷⁴ Construction Update, Residential retrofits must reach one million per year by 2030 to meet UK net zero aim: How can copper support this demand?, June 2024, <https://construction-update.co.uk/2024/05/23/residential-retrofits-must-reach-one-million-per-year-by-2030-to-meet-uk-net-zero-aim-how-can-copper-support-this-demand/>

GOVERNMENT PRIORITY AREA	THE CASE FOR GOOD HOME HUBS	DELIVERY BODY
<p>NHS mission (mission 5 & target to end hospital backlogs)</p>	<p>Plans to reduce NHS waiting lists must focus both on increasing healthcare supply, but also on reducing demand through preventing health problems. Yet, there are 3.5 million homes in England that are a serious threat to their occupants' health and safety due to trip hazards, overcrowding and cold and damp.⁷⁵ Providing support to residents to access home adaptations could play a crucial role to preventing accidents and reducing pressure on the NHS.</p>	<p>DHSC</p>
<p>House- building strategy</p>	<p>The demand for homes in the UK is not just demand for any home, its demand for good-quality homes. 80% of homes that will exist in the UK in 2050 have already been built.⁷⁶ If these homes fail to provide a good standard of living, pressure will remain on the demand for homes providing a good standard of living, raising prices. Improving the quality of homes could ease this pressure while benefiting those who want to stay in their homes.</p>	<p>MHCLG</p>
<p>Adult social care reform</p>	<p>Adult social care reform is centered around supporting the care workforce and keeping people safe at home for longer. The government sees that home adaptations are critical to this, as reflected by the increase in DFGs to local authorities.⁷⁷ However, the government can get much more bang for their buck if they match increased funding with ambitious reforms around the delivery of these services, through establishing Good Home Hubs.</p>	<p>DHSC</p>

75 O'Brien A, The Triple Dividend of Home Improvement: The economic, social and environmental benefits, Demos, 20 June 2024, <https://demos.co.uk/research/the-triple-dividend-of-home-improvement-the-economic-social-and-environmental-benefits/>

76 Committee on Climate Change, UK housing: Fit for the future?, February 2019, <https://www.theccc.org.uk/wp-content/uploads/2019/02/UK-housing-Fit-for-the-future-CCC-2019.pdf>

77 DHSC, New reforms and independent commission to transform social care, 3 January 2025, <https://www.gov.uk/government/news/new-reforms-and-independent-commission-to-transform-social-care>

CONCLUSION

Good Home Hubs represent a transformative opportunity to address the UK's pressing housing challenges. This briefing highlights the huge level of need for the services of Good Home Hubs, and the potential engagement from hundreds of thousands of households each year. Clearly, the Hubs have the potential to make a significant impact on housing quality, health outcomes, environmental objectives and economic productivity.

The financial case for Good Home Hubs is compelling. When accounting for the immediate savings from integrating existing home improvement services and the revenue raised from the Hubs, Good Home Hubs are expected to pay for themselves, and deliver a net gain of £16 million. Additionally, in the long term, the Hubs are expected to deliver substantial economic and public health benefits, including job creation and NHS savings, with studies suggesting savings of £2 to £3.17 for every £1 invested.

The government should act now to drive the rollout of Good Home Hubs. This includes committing initial funding, integrating Hubs into local authority structures, and fostering collaboration across health, social care, and housing services. By investing in Good Home Hubs, the government can create a legacy of better homes and healthier communities for future generations. **The time to act is now - Good Home Hubs are a proven solution to a growing crisis, and their implementation would yield dividends for decades to come.**

In the long term, Good Home Hubs are expected to deliver **substantial economic and public health benefits**, including job creation and NHS savings, with studies suggesting savings of **£2 to £3.17 for every £1 invested.**

By investing in **Good Home Hubs**, the government can create a legacy of better homes and **healthier communities for future generations.**

ANNEX

EVALUATION OF SURE START AND GOOD HOME HUBS COMPARABILITY

DIFFERENCE	EXPLANATION AND IMPLIED EFFECT	EVALUATION	TO WHAT EXTENT SHOULD WE REDUCE OR INCREASE OUR ESTIMATE OF ENGAGEMENT?
Level of national political attention	Sure Start centres were given significant attention from the government during the 2000s; the BBC described it as a “flagship policy of Tony Blair’s Labour government”. ⁷⁸ This would be expected to boost awareness, and it is unclear whether Good Home Hubs would receive a similar degree of attention, given they have not been a flagship policy.	<p>A 2009 study - over a decade after the programme’s launch - found that 49% of parents currently or expectedly eligible for Sure Start services were aware of the advisory services at the centre - a very high level which would not be easy to replicate.⁷⁹</p> <p>Importantly, however, awareness that the centres formed part of a national initiative was significantly lower than awareness of the local centre (45% compared to 78%). Most parents and carers found out about the centres via local or in-person links, suggesting awareness did not necessarily come from national announcements, but from local exposure.</p>	Slight reduction

78 Coughlan S, Sure Start centres ‘big benefit’ but face cuts, 4 June 2019, <https://www.bbc.co.uk/news/education-48498763>

79 Department for Children, Schools and Families, Sure Start Children’s Centres: Survey of Parents, 2009, <https://dera.ioe.ac.uk/id/eprint/11360/1/DCSF-RR083.pdf>

DIFFERENCE	EXPLANATION AND IMPLIED EFFECT	EVALUATION	TO WHAT EXTENT SHOULD WE REDUCE OR INCREASE OUR ESTIMATE OF ENGAGEMENT?
Degree of local presence	By 2010, there were around 3,600 Sure Start children's centres, many of these being physical centres. ⁸⁰ The Centre for Ageing Better estimates that one Good Home Hub could deliver services for a whole local authority area - of which there are 153 - and most would not have a physical location. This would imply Good Home Hubs would have a lower local presence.	An evaluation of Sure Start centres suggested that 20% of people who were aware of the centres became aware by seeing the centre in-person. ⁸¹ With the number of Sure Start centres being significantly higher, many of those who become aware of the services in this way would not become aware of Good Home Hubs.	Moderate reduction

80 Leppar J, More than 1,000 children's centres closed over last decade, Children & Young People Now, 30 June 2022, <https://www.cypnow.co.uk/content/news/more-than-1-000-children-s-centres-closed-over-last-decade/>

81 Department for Children, Schools and Families, Sure Start Children's Centres: Survey of Parents, 2009, <https://dera.ioe.ac.uk/id/eprint/11360/1/DCSF-RR083.pdf>

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