Hon. Eluned Morgan MS

First Minister of Wales Welsh Government 5th Floor Tŷ Hywel Cardiff Bay CF99 1SN



Subject: Supporting Heat Pump Adoption in Wales: Learning from England's Planning Reforms

Dear First Minister,

Every tenant in Wales deserves a warm, affordable, and energy-efficient home. Heat pumps are a crucial part of delivering this vision, but current planning policies risk leaving many tenants behind. As Wales continues its journey towards Net Zero, heat pumps play a vital role in the transition to cleaner and more affordable heating solutions. The Welsh Government has consistently shown strong leadership in tackling climate change, recognising that heat pumps will need to be installed in the vast majority of homes to meet climate targets.

Their adoption is vital, not only for reducing carbon emissions but also for ensuring energy-efficient homes that align with the principles of the Well-being of Future Generations Act. Initiatives under the Warm Homes Programme, including grants for heat pumps and energy efficiency upgrades, have made meaningful contributions. However, recent planning policy developments in England risk creating disparities that could disadvantage Welsh households and leave residents in older, less efficient homes, with higher energy costs

Wales still has a 3-meter boundary rule for heat pumps, meaning <u>planning permission</u> is needed. A significant number of homes in Wales fall into that requirement. In England, they had a 1-meter rule, which is now <u>being eliminated</u>. This disparity could mean that residents in Wales are left waiting longer for access to affordable and energy-efficient heating solutions.

We have heard firsthand from social landlords and private renters about the challenges posed by the current planning restrictions for heat pumps. Such as the consuming and resource-intensive nature of planning applications discourages many individuals, particularly those who may lack the financial or logistical capacity to overcome such barriers. For tenants, this means living in colder, less efficient homes while waiting for administrative hurdles to be resolved. While financial incentives are essential, addressing procedural inefficiencies is equally critical to ensuring equitable access to heat pump technology.

In England, data from Octopus Energy has revealed that 34% of customers drop out of heat pump

installations due to planning issues. Although the recent removal of the one-meter rule in England is still new, it reflects a commitment to cutting unnecessary red tape. Similar steps in Wales could ensure that households are not deterred from adopting greener technologies due to administrative obstacles. In addition to removing the 3-meter boundary rule, we recommend increasing the size limit of heat pumps for dwellinghouses from $0.6m^3$ to $1.5m^3$.



This change, set to be implemented in England early next year by the Ministry of Housing,

Communities and Local Government (MHCLG), will allow for quieter and more efficient units to be installed, addressing both functional and noise concerns.



In contrast, maintaining the 3-meter rule and other planning hurdles in Wales will risk:

- 1. **Excluding Welsh Households**: Welsh residents could miss out on the Welsh fair share of a joint 'England & Wales' expanded Boiler Upgrade Scheme Fund and the associated cost savings.
- 2. **Delays at the Point of Boiler Failure**: The need for Planning permission does discourage households from switching to heat pumps when carbon-based boilers break, keeping them dependent on gas systems longer. It is unreasonable to wait many months with no heating going through the planning system when a replacement carbon-based boiler can be installed within days.
- 3. **Increased Costs for Councils**: Local authorities, town and community councils face unnecessary administrative burdens and delays from processing planning applications for heat pumps. Is this a good use of their time in these challenging times?
- 4. **Increased cost to Social Housing Providers and Private Landlords**. We heard an example of a Welsh Social Landlord who had to submit approximately 70 individual planning applications for decarbonisation of the heating solution of a test allocation of social housing homes. Creating planning applications with professional drawn-up plans, application fees and project managing each application adds unnecessary red tape and costs; this will get bigger as we ramp up the progressive Welsh Housing Quality Standards. If we are to transition all of Wales to net zero, we need to remove additional costs
- 5. **Economic and Social Impact**: Slow heat pump adoption could delay Wales' Net Zero goals, raise energy cost inequalities, and reduce green job opportunities.

We also acknowledge that addressing noise concerns is an important consideration when reviewing planning rules for heat pumps. However, research commissioned by Nesta and conducted by Apex Acoustics offers valuable insights on this matter. Their findings suggest that placing an air-source heat pump close to a boundary fence can lead to slightly lower cumulative noise levels at a neighbour's ground and first-floor windows and centre of garden locations. This is because when placed closer to a close-boarded timber fence or masonry wall, the fence acts as a more effective acoustic barrier, shielding neighbours from some of the noise by keeping the heat pump more 'in the shadow' of the wall.

Instead of relying on the current 3-meter rule for noise management, considering established standards like the MCS 020 noise limits might offer a more balanced approach. This could help address noise concerns effectively while allowing greater flexibility in placing heat pumps.

We urge the Welsh Government to review its policy position with the aim of removing the 3-meter rule for heat pumps. By adopting a similar approach to England, Wales could:



- Accelerate the transition for tenants and landlords to lowcarbon heating solutions.
- Accelerate the transition to low-carbon heating.
- Reduce administrative burdens on local authorities.
- Provide equitable access to grants and incentives for households.
- Support local job creation in the green energy sector.

We deeply value the Welsh Government's partnership with housing and wider society and its strong commitment to a cleaner, greener future. This letter is supported by key stakeholders in the housing, energy, and environmental sectors who share our concern about the current regulatory disparities. We believe that removing unnecessary planning barriers is not just an administrative improvement but a critical step towards delivering affordable, sustainable heating solutions to all the people in Wales. Doing so will ensure that residents are not left behind in the transition to affordable, sustainable, and energy-efficient homes.

We appreciate your commitment to a sustainable Wales and respectfully request urgent action to address this issue.

David Wilton, Chief Executive on behalf of TPAS Cymru

Signatures of Supporting Organisations and Stakeholders –

Bean Beanland, Director of Growth & External Affairs - Heat Pump Federation (HPF)

Matt Dicks, Director - Chartered Institute of Housing Cymru (CIH)

Ben Beadle, Chief Executive - National Residential Landlord Association (NRLA)

Joanna Seymour, Director of Partnerships and Development - Warm Wales

Karen Whitfield, Director - Wales Environment Link (WEL)

Andy Regan, Senior Mission Manager - Nesta Cymru

