

## Funding the Future

# Labour's Warm Homes plan is spot on but they have to ge...

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As the [Guardian](#) has noted:

*Labour has drawn up plans for what it claims would be the biggest overhaul of housing since the second world war, with a plan to install loft insulation, double glazing and renewable technologies in almost all of the UK's 27m homes.*

*The party says that the Warm Homes for All scheme will create 450,000 jobs over the next decade. Under the plans, low-income households would be able to apply for a grant, paying no upfront costs. They would keep most of the savings on their bills, though part would be used to pay for a proportion of the work. Wealthier households would be able to claim interest-free loans for the work, with the loans claimed back through their bills.*

Unsurprisingly, I support the idea. It is, of course, the Green New Deal Group's ['30 by 30' proposal](#) turned into Labour Party policy. But, there is a but. As the Guardian notes:

*However, there are significant costs implied by the scheme. Labour calculates that delivering essential upgrades to the UK's entire housing stock will cost about £250bn, or an average of £9,300 per house. The party pledged to provide £60bn of direct public subsidy for the programme, with the rest paid for "through energy savings".*

This is the Achilles Heel of the Labour plan. And the Tories will pick on it, because they have no desire to tackle climate change at all. Most are still in denial about it. And those who think it is an issue think we cannot address it, as if the future of the planet is something we cannot afford.

I have explained [how to fund the Green New Deal](#). But, right now there is fudge going on. Even if the 'rest' of the cost of this proposal will be funded by energy savings (and it might be in the long term) the fact is that it will need funding in the short term whilst the work is done. The costs inevitable come before the savings. So, on that basis an answer as to how the whole sum will be funded is required.

The fact is that, me apart, I can see now one who has n answer to this. Naomi Klein is

miles off target in her latest book. Ann Pettifor cogently argues it is by borrowing in her latest book. But no one says who will buy those bonds. I have, [here](#). Changing the rules of ISAs and pension funds could provide all the cash needed to fund the Green New Deal. The issue is so vital I will be returning to it, again and again, I suspect. We have to get this right.