

Rethinking decision-making about home improvements

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Social relations and accelerating retrofit in the UK

For the UK to meet its commitments to tackle the climate crisis it must improve the energy efficiency of its housing stock. The country's housing stock is the oldest in Europe, with 11 per cent of homes classified as 'poor quality', presenting serious implications for residents' health, wellbeing, and energy bills.¹ Meanwhile, energy use in homes accounts for roughly 14 per cent of the country's carbon emissions.² Policy interventions to accelerate retrofit have had limited success thus far and there is a substantial body of research into why this is the case. This research has tended to frame the failure of these policies in terms of 1) the organisation of the market, 2) behavioural influences, 3) technical issues, and 4) financial barriers.

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It is important to identify these problems; however, simply removing these barriers is insufficient to improve the success of these policies. Across each of these issues, there is underlying and flawed tendency within UK energy policy to frame homeowners as rational actors, whose engagement with policy is based on the right financial offer.³ Researchers have noted the limitations of this framing but it is still necessary to develop an alternative approach to understand how people make decisions about their homes. In a recent paper,⁴ we propose a social relations approach to challenge the framing of the rational-actor conceptualisation of homeowners and the factors that shape decision making. This article summarises our findings and highlights the implications for retrofit policy.

WHAT CAN SOCIAL RELATIONS TELL US ABOUT DECISION-MAKING?

Our approach frames research into energy demand and its use through the lens of relational sociology. Hargreaves and Middlemiss identified three categories of social relations that informed energy consumption in homes: relations with friends and family; relations with agencies and institutions; and relations associated with identity.⁵ Our interviews with homeowners, which we summarise below, confirmed that these categories played an important role in informing people's decisions to undertake work on their homes.

- 1 Piddington J, Nicol S, Garret H and Custard M (2020) *The Housing Stock of the United Kingdom*, BRE Trust. <https://bregroup.com/news-insights/reports/>
- 2 Climate Change Committee (2019) *UK housing: Fit for the future?*, Climate Change Committee. <https://www.theccc.org.uk/publication/uk-housing-fit-for-the-future/>
- 3 Palm J and Reindl K (2018) 'Understanding barriers to energy-efficiency renovations of multifamily dwellings', *Energy Efficiency*, 11: 53–65
- 4 Bolton E, Bookbinder R, Middlemiss L, Hall S, Davis M and Owen A (2023) 'The Relational Dimensions Of Renovation: Implications For Retrofit Policy', *Energy Research & Social Science*, 96: 102916
- 5 Hargreaves T and Middlemiss L (2020) 'The importance of social relations in shaping energy demand', *Nature Energy*, 5: 195–201

However, social relations associated with money were also critical and carry implications for how homeowners will engage with incentives or grants to retrofit their homes. For example, Zelizer has argued that social relations determine what people are happy to pay for, who will pay, and how much people are willing to pay.⁶ People also ‘ earmark ’ money differently depending on its origin and how its meaning is negotiated within the household. For instance, interviewees generally showed a strong aversion to using loans to pay for renovations, preferring to use savings or unexpected windfalls, such as inheritances. By adding social relations associated with money to the three categories that Hargreaves and Middlemiss identified, we are better able to understand the dynamics that shape how people really make decisions about their homes – a combination of relational factors, and rational incentives. We also begin to explain their limited interests in some financial incentives and therefore how energy policy might be adapted to accelerate domestic retrofit.

SOCIAL RELATIONS, RENOVATIONS, AND IMPLICATIONS FOR RETROFIT

We interviewed 15 homeowners in the Otley area of Leeds, West Yorkshire about their experiences of undertaking ‘extensive renovations’ in their home. We chose to interview people about renovation to capture people who may be classified ‘as able to pay’ for home retrofit but who were not necessarily engaged with retrofit policies. The interviews covered why people made the decision to get work done, how they paid for the works and their interactions with tradespeople. We found that social relations with the four categories highlighted critical dimensions of how people made decisions to undertake significant renovations on their homes, as well as their experiences of getting the work done, that retrofit policy needs to better account for.

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RELATIONS WITH FRIENDS AND FAMILY

Social relations associated with friends and family played an important role in determining when people got work done on their homes, and the types of work that they undertook. For instance, one interviewee noted that they needed to wait to do the renovations as they had young children and they wanted to avoid the disruption. Meanwhile, other interviewees noted that they wanted to create a space that better suited their family and socialising with friends. Critically, even when people noted practical concerns around aging fittings or improving insulation, they still underlined how the works would better serve their social relations with family or friends. This finding suggests that while homeowners may want to improve the energy efficiency of their homes, social relations with family or friends will likely influence *when* they are willing to engage with retrofit policy. Moreover, the importance of relations with friends and family to determining when homeowners embark on renovations further underlines the point that homeowners are not simply waiting for the right financial incentive to retrofit their homes.

RELATIONS WITH AGENCIES

Other researchers have noted the lack of trust between homeowners and agencies such as tradespeople has reduced the uptake of retrofit measures. The homeowners we interviewed also had limited trust in tradespeople and as a result undertook a significant amount of ‘relational work’ to build trust with these agencies. For decisions around renovation, relational work to build trust with

6 Zelizer V A R (1997) *The social meaning of money*, Princeton University Press

tradespeople included seeking recommendations from friends, relatives, neighbours, or community groups on sites such as Facebook. Brand recognition helped establish trust but it was also important for interviewees to feel like the tradespeople would be easily reachable if there was an issue; consequently, they preferred to local tradespeople with accessible storefronts. Moreover, while people would check tradespeople's ratings on sites such as [trustatrader.com](https://www.trustatrader.com), they were often sceptical of these sites and would not rely on them alone.

As local supply chains for retrofit are still underdeveloped, people will likely require additional work to build trust. Retrofit one-stop-shops are emerging as one option to reduce the amount of relational work that homeowners need to embark in the future.⁷ These centres can act as a trusted local representative to help homeowners throughout the retrofit process. Indeed, a recent citizen's panel on decarbonising homes underlined the importance of trusted sources of information about retrofit, as well as links to skilled workers for successful retrofit policy.⁸ However, implementing a policy that uses one-stop-shops still depends on consistent investment and policy to encourage tradespeople to invest in training and skills to carrying out retrofit. Stop-start policies and funding for retrofit has reduced interest in retrofit skills and infrastructure thus far.

“Recent research in Scandinavian countries recorded a gendered division of labour in households that are installing technology to decarbonise homes”

RELATIONS ASSOCIATED WITH IDENTITY

Our interview data spoke to how gender influenced people's experiences with renovations. Female interviewees reflected on the gendered nature of their interactions with (mostly male) tradespeople. Their experiences ranged from not having their concerns taken seriously, or feeling like they were being taken advantage of in instances where they were in single-women households. It is difficult to know how far these experiences (or the fear of these experiences) would deter people from undertaking retrofit; although there is evidence that energy technologies can replicate gendered divisions. Recent research in Scandinavian countries recorded a gendered division of labour in households that are installing technology to decarbonise homes. In these cases, women tended to take responsibility for shifting practices within the home, while men sourced technology.⁹ More research is needed to explore how social relations around gender and other forms of identity might influence people's engagement with retrofit policy. However, social relations associated with identity are likely to shape people's experiences of sourcing information about retrofit and their interactions with tradespeople.

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RELATIONS ASSOCIATED WITH MONEY

One of the most striking findings to emerge from our interviews was people's aversion to taking out debt to undertake work on their homes. An interviewee described debt as “the heaviest thing you

7 Brown D, Kivimaa P and Sorrell S (2019) ‘An energy leap? Business model innovation and intermediation in the ‘Energiesprong’ retrofit initiative’, *Energy Research & Social Science*, 58: 101253

8 Climate Change Committee (2022) *Findings of a Citizens’ Panel on home energy decarbonisation (University of Lancaster)*, Climate Change Committee. <https://www.theccc.org.uk/publication/findings-of-a-citizens-panel-on-home-energy-decarbonisation-university-of-lancaster/>

9 Mechlenborg M and Gram-Hanssen K (2022) ‘Masculine roles and practices in homes with photovoltaic systems’, *Buildings and Cities*, 3: 638–652

could hang on your neck”, while several other interviewees noted that the ‘right way’ to pay for renovations was through savings or unexpected income, such as an inheritance. Interviewees’ aversion to debt suggests that they would be reluctant to enter into long term financing arrangements to pay for retrofit. Moreover, several interviewees expressed a degree of suspicion about government schemes for measures to improve the energy efficiency of homes, saying that they were too complicated or insufficient to seek out. This lack of trust in the structure of the arrangement also speaks to the importance of trust in the agencies and institutions, which is currently lacking in retrofit policy and incentives.

CONCLUSIONS

To accelerate retrofit it is essential to reframe conceptualisations of homeowners as rational actors and account for the relational dynamics that shape decision making within and about homes. Financial packages are important but insufficient incentives to encourage take up of retrofit schemes. It is also necessary to consider how people make decisions about their homes and account for these processes when designing retrofit policy. A social relations approach sheds light on many of these dynamics. In the context of home renovations social relations associated with friends and family; agencies and institutions; identity; and money influence when people will undertake works on their home but also shape their experiences (the ‘customer journey’) during renovations. People undertake works on their home to better serve social relations with family and friends and appear to have a strong aversion to taking out loans to pay for renovations. It is also critical that people trust the sources of information about the works that they need and that tradespeople are equipped to carry out these works. For retrofit schemes it is also vital that people trust the source of financing packages to pay for works and the medium through which these are organised. Energy policy consequently needs to acknowledge the variety of circumstances which will lead people to engage with retrofit measures and the steps that are necessary to maintain homeowners trust in the process.

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