4. Please indicate which category best describes your organisation, if appropriate.
(Tick one only)

Executive Agencies and NDPBs	
Local authority	Ø
Other statutory organisation	
Registered Social Landlord	
Representative body for private sector organisations	
Representative body for third sector/equality organisations	
Representative body for community organisations	
Representative body for professionals	
Private sector organisation	
Third sector/equality organisation	
Community group	
Academic	
Individual	
Other – please state	

CONSULTATION QUESTIONS

Question 1: Do you have experience, or know of, social landlords acting as 'pioneers' in addressing energy efficiency?	ng
Yes ☑ No □	

Question 1(a): <u>If 'yes'</u>, please provide details, including any web links/contact details you may have.

There are several examples of decentralised and renewable energy projects by social landlords in Edinburgh, for example:

- a communal heating system serving 209 flats in Cables Wynd House (City of Edinburgh Council) (http://www.edinburgh.gov.uk/news/article/814/sharing_the_benefits_of_cheaper_fuel_bills);
- a Combined Heat and Power (CHP) system serving a Dunedin Canmore Housing Association development in Westfield Avenue, which consists of 193 individual residential apartments and 8 commercial/retail units (http://www.dunedincanmore.org.uk/group/news.asp?news_item_id=42&return_page_ID=295);
- a wood pellet boiler district heating system serving 31 homes in Lasswade Road by Dunedin Canmore Housing Association (http://www.energysavingtrust.org.uk/Publications2/Housing-professionals/Heating-systems/Slateford-Green-Lasswade-Road-Edinburgh-A-case-study-on-small-scale-community-heating-2011-edition); and
- a Ground Source Heat Pump serving 18 homes in a 102-home development at Western Harbour by Port of Leith Housing Association (http://www.polha.co.uk/node/382).

Question 2: For landlords, what is the greatest cause of SHQS exemptions in your stock? Is there anything that the Scottish Government could do to assist in reducing exemptions?

In Edinburgh, the greatest cause for SHQS exemptions is lack of owner participation in mixed tenure blocks. There is a need for a strong focus on advice and encouragement to owners at a national level. This would ensure that owners fully understand that the responsibility for repairing their home rests fully with them.

Incentives based on existing schemes can be used to encourage owners. For example, while the Council upgrades the social housing to meet the SHQS in a mixed tenure will consider whether other issues can be addressed at the same time. These can include free insulation and other additional measures, e.g. loft clearing and scaffolding through the Universal

Home Insulation Scheme (UHIS), at the same time.

Question 3: What has been your experience in improving properties in mixed tenure estates?

Where the Council are the majority owners, the Tenement (Scotland) Act assists in meeting compliance in most cases. Where the Council is a minority owner in a mixed tenure block the results have been mixed. Some owners are happy to participate in the projects but the majority decline.

Question 3(a): If you have developed solutions to work with owners and/or private sector tenants, please provide details.

Generally the Council improves blocks where it has 100% ownership first. These are then used as promotional examples for the mixed tenure blocks in the estate so that residents can see the positive visible impact of the works.

Meeting with resident groups and consultation with Edinburgh Tenants Federation helps to achieve the buy-in from owners in mixed tenure estates. In the Dumbiedykes area, for example, there was a positive uptake from private owners. This was the result of a pro-active consultation process, which highlighted the benefits of the scheme to the owners and private landlords concerned. One of the key aspects to achieving tenant and owner buy in is demonstration of financial benefits for example through potentially reduced fuel bills. This is however resource intensive for local authorities. In addition, the Property Factors Act 2011 prevents local authorities from carrying out communal works on blocks where they are in the minority without consent.

Levering in funding such as Community Energy Saving Programme (CESP) has helped to achieve better value for money and reduce the financial burden faced by some of the private owners and landlords.

Question 4: The Energy Efficiency Standard for Social Housing will directly affect a diverse group of social sector tenants who have individual needs and experiences. In your view, is improving the energy efficiency of social rented housing a priority for tenants?

Yes	No □
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While improving energy efficiency is a priority, the most important element of this is how much it costs to heat their home. Tenants want a home that is warm, comfortable and affordable to heat.

It is unlikely that improving the energy efficiency of social rented homes further will necessarily reduce the number of households in fuel poverty in the sector as increasing fuel costs coupled with low incomes are the key factors influencing fuel poverty. This means that a higher percentage of social tenants experience fuel poverty despite the fact that social rented homes generally have higher NHER ratings than private homes.

Question 4(a): <u>If 'yes'</u>, are the suggested 'potential benefits' broadly the right ones? Are there any others you would suggest?

Question 4(b): <u>If no</u>, why is this? How would you suggest we increase tenant awareness of the importance of energy efficiency?

The information provided needs to be meaningful to tenants. Information on how to reduce costs is of more value to tenants than information on reducing carbon emissions. This could include clear information on the savings they could make from their actions or from investment proposed by the landlord. It is also helpful to provide practical information on how to make the best use of heating systems and highlight how the behaviour of household occupants can influence energy efficiency.

Some of the most effective awareness campaigns with tenants in Edinburgh have been those held in the community. Face to face contact and information spread through local community networks is more effective than other forms of communication. Links with the local media, providing information in places that people go and ongoing work with residents groups is also important. It is important that information is provided in a variety of different formats to meet customer requirements.

Working with local groups and understanding the needs of the tenants can help to increase tenant awareness of energy efficiency and influence their behaviour in relation to energy use. In 2010/11 North Edinburgh Trust (NET) carried out a fuel poverty audit in Muirhouse, involving residents from six high rise blocks in the area. Many of the survey respondents stated that not knowing how to use their storage heater properly was a major issue. Many chose not to use all the heaters available or heat only one room to reduce costs. In response to this, the NET and the Council distributed an easy-to read/leaflet on how to use the storage heaters and held a "Damp Clinic". These helped improve tenant awareness of energy efficiency and improved their living conditions as a result.

Question 5: Do you consider any particular equality groups will be at significant risk as a result of this new policy? If so, please outline what measures you consider appropriate to minimise risk.

Some older people and/or people with learning difficulties may find it hard to learn to use new systems or measures. Installation of energy efficiency measures needs to be coupled with advice and support, especially on behaviour change and should not result in any additional costs for tenants.

For example, showing someone how to operate a new heating appliance once it has been installed can prevent them from overheating their home and pushing up energy costs.

Question 6: Do you think the implementation of the Standard will cause an undue financial burden on any particular equality group? If so, we would welcome your views on what action could be taken to minimise that burden.

The improvements will mainly be funded through the Housing Revenue Account. If extra rental income is required to fund the improvements, it will be borne by all tenants. Many equalities groups are currently underrepresented in social rented housing. The standard will not assist in changing this and could create further barriers.

The cost of repairs and improvements may discourage owners from participating in investment programmes.

Question 7: What else would you suggest to help tenants better manage their energy consumption?

The example given in 4 (b) outlines the importance of proactively helping tenants to understand how to use heating systems and provide meaningful information on how more efficient use of energy can reduce costs.

In addition to the smart meter roll out, the Government should explore the use of other technology to help people better manage their energy consumption. For example, auto switch off when appliances are not in use and remote/mobile control of appliances when the occupiers are not at home. It is important to get feedback from users of new technology to ensure that it is providing the impact that is expected and to refine it as necessary.

Department of Energy and Climate Change (DECC) research (Empowering Households – Research on presenting energy consumption benchmarks, 2011) found that providing benchmark data is likely to encourage greater interest in bills and consumption. To be meaningful, the benchmark needs to be close to the situation of a particular household in terms of lifestyle, household composition, age and build type of the house.

Question 8: Do you think that example case studies will be helpful or unhelpful in taking forward the Standard?

Helpful ☑ Unhelpful □
The case studies will help in providing a benchmark and framework to
enable social landlords to more accurately assess, plan and manage their
energy efficiency commitments.

If you think they are helpful:

represented as case studies? Yes ☑ No ☐
The case studies cover the majority of social housing stock. Other minor types/non-traditional build types that are not covered at the moment can be assessed using the same methodology and framework.
Where social landlords carry out additional case studies for their own stock it would be useful to make these available to the Scottish Government for quality assurance checks and to share with other social landlords through the Scottish Government's website.
Question 8 (b): Are there any other types (including hard to treat) that you would like to be included as a case study? Yes ☑ No ☐
Question 8 (c): <u>If yes</u> please state type and say why you think they should be included?
Given the number of high-rise multi-storey blocks in major cities of Scotland, it would be useful to include this building type as a case study.
Question 9: What are your views on using the SAP/RdSAP methodology
for regulating energy performance in the social rented sector?
•
for regulating energy performance in the social rented sector? Due to the standard assumptions used in SAP/RdSAP, the estimated energy performance of the home through the model could be different from that of the actual performance. However, as more data becomes available (e.g. data from smart meters for different fuel types) and the modelling used in SAP/RdSAP improves over time (for example to take into consideration regional weather variations and location of the home), the standard assumptions could be adjusted to better reflect the actual energy
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Question 11: Are the suggested improvements in the 'Further Measures' and 'Advanced Measures' columns of the case studies realistic and feasible?

Yes ☑ No □
New technologies and energy efficiency products will become available ove time. The assessment and agreement process for the use of these needs to be quickened. This would allow faster grant funding, roll out and installation of such measures.
Question 11 (a): Please provide further explanation of any measures that you think should <u>not</u> be included within the modelled case studies.
There are no measures which should be dropped from the case studies.
Question 11 (b): Please provide further explanation of any measures no currently included in the case study modelling that you would like to se included?
None
Question 12: Taking into account the factors outlined in paragraphs 6.5 and 6.6 of the consultation document, do you agree that establishing a minimum Environmental Impact rating for the main dwelling types is the most practicable format for the standard?
Yes ☐ No ☑
If not, please explain why.
The Council recognises the importance of reducing carbon emissions. However, for social landlords, one of the key aims in improving energy efficiency is to ensure that tenants can live in a home that they can afford to heat. Tenants will be more concerned about housing and heating costs than how much carbon the home produces. The Energy Efficiency rating would be more meaningful for tenants than the Environmental Impact rating
Question 13: If you think that the standard should be a minimum Environmental Impact rating, do you think that there should also be a safeguard that the dwelling's <i>current</i> Energy Efficiency rating should not reduce?
Yes ☑ No □

As a general principle improvements should not result in additional costs for tenants. This relates not only to individual energy costs but also to the impact on rental levels. High cost energy efficiency measures will need to be funded from rents. Cost benefit analysis is therefore required before any decision is made to proceed.

Question 14: In assessing your stock against the proposal for a new standard for social housing, do you foresee any significant challenges in obtaining individual property details across your stock?
Yes ☐ No ☑
<u>If yes,</u> please explain why.
The Council has recently carried out a full stock housing condition survey which includes data on energy efficiency of the homes. It is also anticipated as more Energy Performance Certificates (EPCs) are produced over time the data will be available for the purpose of planning/implementation.
Question 15: Do you think that the ratings at paragraph 6.7 of the consultation document are suitably challenging? If not, please give explanations why not and suggest more suitable ratings. Yes No
Yes, but more consideration should be given to homes that are in a listed building and/or conservation area. These homes present a particular challenge as many of the standard/common energy efficiency measures are not currently deemed suitable/acceptable for use. This may mean that it is not cost effective to bring them up to the required rating.
Question 16: Do you think the suggested energy efficiency rating for electrically heated detached homes and bungalows undermines the SHQS? Please explain your choice. Yes ☑ No □
The constraints for energy efficiency improvements for these homes are no greater than for some other house types such as tenement flats. Detached homes and bungalows have more scope for measures such as ground source heat pumps which may not be possible for other house types.
Question 17: What are your views on whether <u>all</u> social rented dwellings should be heated by gas, electricity or renewable heat sources by 2030?

It should be feasible to have all homes heated by gas, electricity or renewable heat sources by 2030 if there is adequate resources and Government support. However, this may be of particular relevance to social landlords operating in rural areas.

Question 18: Do you think that either of the options set aside ('Establish a set of measures that all homes would be required to meet' **OR** 'Set a minimum percentage reduction in emissions for each of the different dwelling types') **should be reconsidered?**

Yes ☐ No ☑

If yes, please explain which option you prefer and why.

Measures should be based on outcomes rather than outputs. This means that focusing on specific measures may not meet the aim of reducing emissions in some homes. The second option would be complex to measure and places too much focus on emissions.

Question 19: Do you agree that the standard should apply to all individual homes and not be aggregated across a landlord's stock? Is this practicable?

The standard should apply to individual homes so that harder to improve properties are not left out of programmes. This will also help to ensure that there is continued effort to improve the quality and energy efficiency of individual homes as well as the entire stock. However, there should be recognition that some properties may not be able to reach the rating based on the current options available to improve energy efficiency. These may include tenemental and older properties.

Question 20: Paragraph 6.14 in the consultation document suggests a way of dealing with those more unusual properties that are harder or more expensive to treat. The approach is to use the 1990 base assumptions to record a baseline for each individual dwelling and then to calculate a set percentage reduction to identify a required improvement. Do you agree that this approach to unusual dwellings could offer a reasonable way forward for applying a standard to these dwellings?

Yes	$\mathbf{\Lambda}$	Nο	

However, another alternative is to require that recommendations from the EPCs (up to a cost limit) are carried out.

Question 20(a): Do you agree that the percentage reduction for unusual dwellings should correspond to Climate Change targets and be set at 42%?

Yes N	lo 🗹
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<u>If not</u>, at what level do you think the reduction for unusual dwelling should be set that will be achievable but provide a meaningful contribution to the improved energy efficiency of social rented housing?

There are relatively few measures that can be put in place in unusual dwellings. It is reasonable to ask landlords to improve the homes as much as possible but not to set a definite level of reduction to be achieved. Although the 42% reduction corresponds to the target set out in the Climate Change Act, it would be difficult to justify if it led to excessive costs in meeting this target, which could be passed on to tenants through rents or higher fuel bills.

Question 21: Do you think that there should be exceptions to the proposed energy efficiency standard? <u>If so</u>, how should they be treated?

Yes 5	ΊN	0	
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Exceptions on a case by case basis can be expected, for example, for listed properties or those within conservation areas. Some of the more standard energy efficiency measures (such as double glazing) are not allowed in the properties concerned. Special consideration for these properties will be required and should be dealt with via a more in-depth review to take into account the special circumstances. Equally the criteria for exceptions should be reviewed regularly to take into account new technology that may become available. Further consideration is required to determine how planning requirements can support energy efficiency targets and whether some existing planning restrictions act as a barrier in efforts to increase energy efficiency.

Question 22: Are there any other relevant sources of funding that can help social landlords improve the energy efficiency of their stock?

Annex B usefully outlines the range of external funding currently available. The Scottish Government UHIS and Energy Assistance Package funding have been useful in enabling local authorities to maximise take-up and delivery of loft and cavity wall insulation. To some extent this type of funding package cuts across the Green Deal and work needs to be done to make sure that there are better linkages between existing packages, at least in the initial stages of the Green Deal.

This would also assist with continuity of demand for this work as any temporary reduction could create a negative impact on the sector. It would also reduce the ability of the sector to build up capacity for the predicted future workload in both the social and private sectors.

Question 23: Given the range of financial assistance available to landlords, do you agree that the standard can be achieved without disproportionate cost? If not, please explain why.
Yes □ No ☑
Initial analysis suggests that the 2020 target can be achieved without disproportionate cost. However the 2050 target would be much more challenging for the Council financially.
In addition to the costs to manage and install the improvement measures, there are also costs for re-housing/decanting the tenants in some cases where extensive work is required. If improvements are carried out during a change of tenancy there may be a loss of rental income as a result.
These costs are likely to directly impact tenants through increased rent levels. There is a clear need to evaluate the benefit of expensive measures against the potential cost to tenants.
Question 24: We see an opportunity to advance gender equality in the creation of jobs to undertake the retrofitting works in industries that have traditionally been male-dominated. Your views on how we can maximise gender equality in job creation would be welcome.
Training and skills programmes for this work need to be designed specifically to be attractive to women. Positive promotion of the construction industry also needs to be introduced to children in schools and to other job seekers. This should include options for flexible working where appropriate.
Question 25: Are there any other data sources you could suggest to monitor the proposed energy efficiency standard?
Social landlords have data for their stock, which is extensive and is the primary source for any capital programme. It would be useful if data from different social landlords could be compiled to form subset data to be used at local authority level. This would allow better access for in depth data analysis, easier comparison with other landlords, and opportunities for joint projects between social landlords.
Question 26: Would you welcome the Scottish Housing Regulator (SHR) monitoring the proposed standard both in the interim period and longer-term or would you prefer an alternative body to carry out this role? If so, who and how?
Yes ☐ No ☑

This does not fit with the move to a risk based focus for the SHR

Question 27: Are there any other costs associated with monitoring landlords' progress towards the energy efficiency standard?
Yes ☑ No □
Additional costs are likely to be incurred in generating schemes for funding applications relating to the ECO and Green Deal, along with internal training/assessor requirements. This will include the costs of preparing bids for funding. Not all of these costs will be covered by the funding obtained.
Question 28: Should there be regular milestones to measure progress towards 2050? <u>If so</u> , what dates would you suggest?
Yes ☑ No □
The suggested dates (2020, 2030, 2040 and 2050) for the milestones seem reasonable and will act as a guide to progress. However, local authorities need to take into account other capital improvement and investment activities within their asset management plans and should not be penalised if they fail to meet the regular milestones.
Question 29: Do you agree that setting the longer-term milestones should be deferred until progress towards 2020 can be reviewed?
Yes ☑ No □
Question 30: Do you consider there to be any further opportunities within the Energy Efficiency Standard for Social Housing to promote

Question 30: Do you consider there to be any further opportunities within the Energy Efficiency Standard for Social Housing to promote equality issues. <u>If so</u>, please outline what action you would like us to take.

The contribution the Energy Efficiency Standard for Social Housing can have on reducing fuel poverty should be considered and highlighted as this issue can disproportionately affect older people and those on lower incomes.