[redacted]

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

Executive Agencies and NDPBs	☐
Local authority	☐
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	X
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?

Yes ☒X No ☐

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

Yes, we have experience, and know of, social landlords acting as 'pioneers' in addressing energy efficiency. We believe that many of the social landlords that we have worked with to deliver programmes on behalf of the Scottish Government will be 'pioneers' in addressing energy efficiency. These programmes include:

- **The Energy Efficiency Design Awards.** These awards, of up to £250,000, were aimed at driving innovation, research and development of new low carbon products and services for the retrofit market, as well as developing skills and capabilities of business and supporting local supply chains. We would be happy to provide the Scottish Government with a list of social landlords and associated projects that benefitted from these awards.
- **Provision of support to housing associations and local authorities to maximise their take up of CERT and CESP funds.** As a result of providing this support function we have a good sense of which social housing providers are 'leading the way' in terms of energy efficiency. We would be happy to provide further details if the Scottish Government would find this useful.
- **District Heating Loan Fund.** As a result of managing this loan fund we know which social housing providers are developing district heating schemes. As part of our wider district heating expertise we also have a fair sense of which social housing providers are developing schemes without accessing this loan fund, and of the social housing providers who have developed schemes in the past. Again, we would be happy to provide further details if the Scottish Government would find this useful.
- **Scottish Renewables Heating Pilot.** Funded by the Scottish Government and managed by the Energy Saving Trust, the Scottish Renewables Heating Pilot aimed to test the suitability of renewable heating technologies for reducing fuel poverty in Scottish low-income households. It ran from April 2006 to June 2008 and involved 87 households who received a new renewables-based central heating system. The households taking part were a mixture of private and social, and the Scottish Government may be interested to know who the social housing providers taking part in this project were. The project had two outputs: an evaluation report and a report on the operational aspects of the pilot. The evaluation report can be found at http://www.scotland.gov.uk/Resource/Doc/245506/0069193.pdf and we can provide the operational report directly.

Finally, the Scottish Government may also be interested in a report – 'Homing in

on Feed-in Tariffs' – which we published in 2011. This report highlights the results of research undertaken into the level of microgeneration activity being undertaken by Scottish local authorities and housing associations and lessons learnt by the early movers, including key success factors, risks and potential solutions. It also includes five case studies of local authorities and housing associations that have progressed FiT schemes The report can be found at: http://www.energysavingtrust.org.uk/Publications2/Local-authorities-and-housing-associations/Funding-and-finance/Homing-in-on-Feed-in-Tariffs

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?

N/a

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

N/a

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

N/a

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 ☐X No ☐

We don't have any research evidence to suggest whether or not improving the energy efficiency of social rented housing is a priority for tenants. However, it *should* be a priority for tenants. It can play a considerable role in making their homes warmer and more comfortable, and in reducing their fuel bills – and of course helping them to play their part in reducing Scotland's CO_2 emissions.

In this context we very much support the proposal within the consultation that '*the standard includes a duty on social landlords to encourage tenants to reduce their energy consumption*'.

In this context the Scottish Government might be interested in the findings of the following two pieces of recent research which serve to highlight the importance of advice on 'no cost' behaviours:

- **The Household Electricity Use Survey**[1]. This piece of work was published by Defra,

[1] See: http://www.energysavingtrust.org.uk/Energy-Saving-Trust/Press/Press-releases/Groundbreaking-study-reveals-hidden-costs-of-powering-our-homes

DECC and the Energy Saving Trust in June this year. It represents the first study of its kind in the UK to measure and monitor electricity use in real time in real-life situations, breaking down what electrical items are being used, when, for how long, and how much energy they use. This research highlighted the sheer number of electrical products that the average home now has. The average number of electrical products owned by households in the study was 41. With this number of appliances in the average home it is clearly a challenge for householders to know where to focus attention in terms of energy saving and identify the most 'energy hungry' appliances. The provision of advice clearly has a key role to play here.

- **Research into the lifetime of behaviour change actions.** This research, undertaken by the Energy Saving Trust, aims to determine the longevity of behaviour change actions. Customers who had taken part in our consumer evaluation in 2006-2008 were asked at the time whether they had changed behaviour as a result of advice from the Energy Saving Trust (turning lights off, turning down thermostats etc). Those that had changed their behaviour were followed up in 2009 to see if they still practised those behaviours. They were then followed up again in 2012 to see if they were still practising the behaviours. The results showed that a high proportion of customers continue the behaviours once they have made the initial change. Using the data in the research we have been able to estimate that behaviour change has a minimum lifetime of 5.04 years. This is a considerably greater lifetime than the lifetime that has historically been assumed for such behaviours (1-year), i.e. the lifetime savings are at least five times greater than previously thought. This means that the CO_2 and financial savings that can result from changing such behaviours will be greater than previously assumed. This new evidence is now feeding into the evaluation of the CO_2 impacts of the programmes that the Energy Saving Trust manages.

We also support:

- the proposal that '*support about how to use any new energy efficient technologies that had been installed*' should be provided – this is the only way to ensure that predicted CO_2 and fuel bills savings will actually be delivered. Evidence from some of the Energy Saving Trust's recent field trials of microgeneration systems provide some interesting insights into user behaviour and how this can impact on the energy, carbon and ultimately financial savings that the installation of certain microgeneration systems can deliver. For further information please see our website.

- the intention that advice should '*not just be a one-off visit but should include follow-up visits to make sure people are using any new technologies correctly an are getting the benefit from them*'. We very much support the implication that advice will be delivered face to face. Evidence[2] suggests that while the provision of generic leaflets and general information can lead to consumers changing their energy related behaviour, such activities on their own are far less effective at encouraging energy conscious behaviour changes than, for example, face-to-face and telephone advice.

[2] See for example: New Perspectives et al (2005) Energy conscious behaviour saves money (Energy Efficiency Partnership for Homes)

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

Yes, the suggested 'potential benefits' are broadly the right ones.

We would also recommend:

- that landlords highlight that improvements should make tenants' homes warmer and more comfortable to live in. This is a benefit for all tenants, not just those who may spend proportionally more time in their homes, as implied in the consultation document.

- that landlords bear in mind the health benefits associated with improved energy efficiency (energy efficiency has been shown to have a positive impact on both mental and physical health). We note that not all landlords may feel comfortable promoting this message as they are not health experts. However, this is something that all landlords should at least be aware of.

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

N/a

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.

We do not consider that any particular equality groups will be at significant risk as a result of this new policy, but please note our response to question 6 below.

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.

As noted in our response to question 4 above, evidence from some of the Energy Saving Trust's recent field trials of microgeneration systems provides some interesting insights into user behaviour and how this can impact on the energy, carbon and ultimately financial savings that the installation of certain microgeneration systems can deliver. If all groups are to benefit optimally from the installation of certain technologies it will be important that adequate support, explanation, advice and information are provided.

Also of relevance here is that field trials – in particular those for heat pumps - showed the importance of correct design and installation if savings (including financial) are to be maximised. There is a risk that if systems are not designed, installed or controlled properly then fuel costs may increase as a result of

installation. It is critical that systems are designed and installed to MCS standards.

We would be happy to discuss these aspects of the field trials in more detail with the Scottish Government if they would find this useful.

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

As the consultation document notes, smart metering is to be introduced in GB homes from 2014, and will provide householders with a much more accurate source of real on-going data about their home energy use.

Accessible real energy use data is a powerful tool for home energy saving advice: with it, it is much easier to advise householders on how to save energy and on generating their own energy.

We are currently working on a pilot project, funded by the Scottish Government and the Northern Periphery Programme which will develop tools and personalised advice provided by the Energy Saving Trust, so that householders can take best advantage of new smart metering technologies to help cut their energy bills and carbon emissions. The pilot project is due to end in March 2013, and should provide useful insight into optimising the impact of the provision of advice based on real life data. The results of this pilot could inform the advice that social landlords provide to their tenants once they have had a smart meter installed.

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

Helpful ☐X Unhelpful ☐

We agree that the example case studies will be helpful in taking forward the Standard. It will however be important to highlight to social housing provides that there may be other ways to meet the required standard, and to provide them with details about where they can go for further information/support in this regard.

***<u>If you think they are helpful</u>*:**

Question 8 (a): Are these the right range of dwelling types to be represented as case studies? Yes ☐X No ☐

We have no specific comments on this question.

Question 8 (b): Are there any other types (including hard to treat) that you would like to be included as a case study? Yes ☐ X No ☐

Question 8 (c): <u>If yes</u> please state type and say why you think they should be included?

We note that there may be particular dwelling types where there aren't significant numbers nationally, but they may be particularly common in certain areas and as such may make up significant proportions of certain social housing providers' stock. It may therefore make sense for case studies for such dwelling types to be developed.

In this context please note our recent report 'Supply Chain Analysis for Scotland - Hard to Fill Cavity Walls' (http://www.energysavingtrust.org.uk/scotland/Publications2/Local-authorities-and-housing-associations/Existing-housing/Hard-to-fill-cavities-report). It includes an analysis of the numbers of different types of hard to fill cavity wall by local authority area in Scotland. It may be helpful to explore the figures behind this report in more detail to determine whether significant numbers of social homes in specific areas of Scotland are likely to have particular types of hard to fill cavity, and if so it might be appropriate to develop relevant case studies. Please note that we can provide a copy of the database associated with the report on request.

We also note that one dwelling type that appears to be 'missing' from the list is 'multi-storey' high rise. These properties tend to be electrically heated and poorly insulated, so tenants are at high risk of fuel poverty. The best treatment for these properties in terms of improving their energy performance is often a combination of external insulation and installing communal/district heating (as per Aberdeen Heat and Power). However, because such blocks tend to be multi-tenancy, extra support and organisation are often necessary if such works are to be undertaken. Some analysis of the SHCS would be necessary to determine whether or not there are sufficient numbers of these properties to make this exercise worthwhile.

Question 9: What are your views on using the SAP/RdSAP methodology for regulating energy performance in the social rented sector?

We agree that it seems sensible to use the SAP/RdSAP methodology for regulating energy performance in the social rented sector.

Question 10: Do the 'Baseline: 1990 Measures' accurately reflect the energy efficiency performance of dwellings at that time?

Yes ☐ No ☐

If not, please provide details.

We don't have any specific evidence to suggest whether or not the 'Baseline: 1990 Measures' accurately reflect the energy efficiency performance of dwellings at that time.

Question 11: Are the suggested improvements in the 'Further Measures' and 'Advanced Measures' columns of the case studies realistic and feasible?

Yes ☐ X No ☐

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 listed that we don't think should be included.

Question 11 (b): Please provide further explanation of any measures not currently included in the case study modelling that <u>you would like to see included</u>?

We note that the following measure has not been included: mechanical heat recovery ventilation.

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 ☐X No ☐

<u>If not</u>, please explain why.

N/a

Question 13: <u>If you think that the standard should be a minimum Environmental Impact rating</u>, do you think that there should also be a safeguard that the dwelling's *current* Energy Efficiency rating should not reduce?

Yes ☐X No ☐

We agree that the standard should be a minimum Environmental Impact rating and agree that there should also be a safeguard that the dwelling's current Energy Efficiency rating should not reduce.

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 ☐ N/a

<u>If yes</u>, please explain why.

N/a

Question 15: Do you think that the ratings at paragraph 6.7 of the consultation document are suitably challenging?
<u>If not</u>, please give explanations <u>why not</u> and <u>suggest more suitable ratings</u>.

Yes ☐ No ☐

We believe that the ratings at paragraph 6.7 of the consultation document are challenging. It is however vitally important that the social housing sector plays its full part in helping to meet Scotland's very challenging climate change targets.

It is also important to consider the proposed ratings in the context of Scotland's fuel poverty targets. The Scottish Government has committed to eliminating fuel poverty by 2016. With a long term trend of rising fuel prices, energy efficient homes are essential to eliminate fuel poverty. But even the most conservative estimates state that homes that have a SAP rating of below 65 cannot protect poorer tenants from fuel poverty, and some have argued that SAP 81 is a better target for "fuel poverty-proofing" homes.

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 ☐

We do not have any specific comments on this question.

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?

We do not agree with the statement in the consultation that it is '*clear that dwellings heated by oil, liquid or petroleum gas or solid fuel will be unable to reach high levels of energy efficiency without a change in fuel source*'. Currently, electricity is a higher cost and higher CO_2 fuel per kWh used than oil. We have included at the end of this consultation response two tables showing the running costs and CO_2 emissions for a range of example house types. They assume the same level of insulation in all cases, but the responsiveness and efficiency of the heating system varies.

Based on current oil and electricity prices, and current emissions associated with burning oil and using electricity, moving a home using an old oil boiler onto electric heating (even where the electric heating makes use of Economy-7 tariffs) may increase fuel bills, and will increase CO_2 emissions. A better option for reducing fuel costs and CO_2 emissions would be to move the house onto a new, condensing oil boiler (Tables 1 and 2). Note: figures based on BREDEM modelling, DEFRA/DECC greenhouse gas conversion figures, and Energy Saving Trust UK average energy prices as at September 2011.

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 ☐X

<u>If yes</u>, please explain which option you prefer and why.

N/a

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?

Yes, we agree that the standard should apply to all individual homes. It will be important from a fuel poverty perspective to provide a minimum level of energy efficiency to all tenants living in social housing.

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 ☐X No ☐

Yes, we agree that this approach to unusual dwellings could offer a reasonable way forward for applying a standard to these dwellings.

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 ☐ No ☐ x

If not, 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?

We agree that the overall percentage reduction for social housing as a whole should correspond to the Climate Change targets and be set at a minimum of 42%, and that setting the standard at this level for unusual dwellings would have a positive impact on fuel poverty. However, we note that it may be more difficult and expensive to reduce emissions in unusual dwellings by 42% than in more standard dwellings.

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

Yes ☐X No ☐

Yes, we agree that there should probably be exceptions to the proposed energy efficiency standard. It will be important to keep these to a minimum. Adopting standards for the private sector will obviously have an important role to play in reducing the numbers of exceptions.

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

We are not aware of any other relevant sources of funding.

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 ☐

This is a difficult question to answer. We note that the make-up of each landlord's stock will be different – some landlords will therefore need to do considerably more work to their stock than others, with associated cost implications. We have not have sufficient data at hand to allow us to answer this question authoritatively.

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.

We have no comments on this question. It falls outside our area of expertise.

Question 25: Are there any other data sources you could suggest to monitor the proposed energy efficiency standard?

No, we cannot suggest any other data sources to monitor the proposed energy efficiency standard.

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 ☐

We have no comments on this question. It falls outside our area of expertise.

Question 27: Are there any other costs associated with monitoring landlords' progress towards the energy efficiency standard?

Yes ☐ No ☐

We have no specific comments on this question.

Question 28: Should there be regular milestones to measure progress towards 2050? If so, what dates would you suggest?

Yes ☐X No ☐

Yes, there should be regular milestones to measure progress towards 2050. These should be set at 5-10 yearly intervals.

Question 29: Do you agree that setting the longer-term milestones should be deferred until progress towards 2020 can be reviewed?

Yes ☐X No ☐

We have no specific comments on this question.

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

We have no comments on this question. It falls outside our area of expertise.

Tables referenced in our response to Question 17

Table 1. Average yearly running costs: £/yr

	Efficiency	Flat - 2 external walls 2 bed	End-Terrace 3 bed	Semi-detached house 3 bed	Detached house 3 bed
Gas - old boiler	65%	£400	£640	£730	£910
Gas - average boiler	78%	£330	£530	£610	£760
Gas - new boiler	88%	£300	£470	£540	£670
LPG - old boiler	65%	£730	£1,160	£1,330	£1,650
LPG - average boiler	78%	£610	£970	£1,110	£1,380
LPG - new boiler	88%	£540	£860	£980	£1,220
Oil - old boiler	65%	£520	£830	£950	£1,180
Oil - average boiler	82%	£410	£660	£750	£940
Oil - new boiler	88%	£380	£620	£700	£870
Electricity - economy 7	100%	£500	£840	£970	£1,220
Electricity - non-storage	100%	£840	£1,420	£1,630	£2,060
Coal - back boilers/closed fires	60%	£400	£660	£760	£950
Air Source Heat Pump	220%	£380	£610	£690	£860
Ground Source Heat Pump	250%	-	£530	£610	£760
Biomass boiler	80%	-	-	£530	£650

Note: Please see next page for table 2.

Table 2. Average yearly CO_2 emissions: kgCO2/yr

	Efficiency	Flat - 2 external walls 2 bed	End-Terrace 3 bed	Semi-detached house 3 bed	Detached house 3 bed
Gas - old boiler	65%	1,640	2,610	2,980	3,710
Gas - average boiler	78%	1,360	2,180	2,490	3,090
Gas - new boiler	88%	1,210	1,930	2,200	2,740
LPG - old boiler	65%	1,910	3,060	3,490	4,330
LPG - average boiler	78%	1,590	2,550	2,910	3,610
LPG - new boiler	88%	1,410	2,260	2,580	3,200
Oil - old boiler	65%	2,160	3,490	3,980	4,950
Oil - average boiler	82%	1,720	2,760	3,150	3,920
Oil - new boiler	88%	1,600	2,570	2,940	3,650
Electricity - economy 7	100%	3,040	5,130	5,910	7,470
Electricity - non-storage	100%	3,040	5,130	5,910	7,470
Coal - back boilers/closed fires	60%	3,180	5,300	6,090	7,620
Air Source Heat Pump	220%	1,370	2,200	2,510	3,110
Ground Source Heat Pump	250%	-	1,930	2,210	2,740
Biomass boiler	80%	-	-	0	0