appropriate. (Tick one only) **Executive Agencies and NDPBs** Local authority Other statutory organisation Registered Social Landlord $\overline{\mathbf{V}}$ 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...

4. Please indicate which category best describes your organisation, if

CONSULTATION QUESTIONS

Question 1: Do you have experience, or know of, social landlords active 'pioneers' in addressing energy efficiency?	ng as
Yes □ No ☑	
Question 1(a): If 'yes', please provide details, including any web links/condetails you may have.	ıtact
Comments	

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?

It is not possible to be precise at this time since the programme for delivery of SHQS works is still under way. It is likely that the cause for exemptions will relate to either the physical characteristics of the building or the tenant refusing access. Where the reason is due to physical characteristics this could mean that it was not possible to achieve certain internal standards due to space constraints or energy efficiency standards in the case of older pre 1910 tenement properties some of which may be listed.

A further reason will relate to the unwillingness of owners to participate in what are currently deemed to be 'improvements' is also a factor in achieving certain elements of the standard.

It may not be possible for the Government to assist in reducing the level of exemptions where these relate to space constraints for example but there should be a more realistic approach from some of the agencies in relation to achieving the standard in relation to listed buildings particularly in relation to costs of some of the measures which are imposed by Planning Authorities. If the exemption is due to the presence of owners, either owner occupiers or private landlords, then the Government could legislate to require owners to participate in the works required to achieve a standard. However this seems to have been ruled out until after 2015 by the Government. The associated issue is ensuring that owners pay for their share of the work timeously. Associations will not wish to carry out works for which there is little chance of receiving payment in the foreseeable future nor should they be providing zero interest loans to owners from tenant's rents.

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

While it is possible depending on the house type to improve individual properties in mixed tenure situations without requiring the involvement of owners in other circumstances this is not possible. In flatted situations we have experienced problems installing cavity wall insulation where owners refused their permission and we were unable to carry out the works. Where the properties are part of a flatted development and the works are deemed

to be improvements then it will depend on the Title Deeds for the respective properties and whether or not the owners have an effective veto on the works. Our experience is that unless owners see a direct financial benefit and the costs are reasonable in their eyes they will not agree to the works

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

We have been able to address the issue of close door security but with the agreement of owners to replace the existing close entry system with a new system which is leased. This means that routine maintenance is covered by a standard charge per month and this was seen by owners as a better financial deal than the previous system where repairs and parts were becoming difficult to find and more expensive

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	V	No	
1 53	·	INU	

In so far it will reduce heating bills and address fuel poverty then it is important to tenants in as far as it affects them directly. Tenants would not welcome a standard which resulted in rent increases to fund it but from which they did not perceive any individual benefit.

At present tenants along with the majority of the population relate 'energy efficiency' to lower fuel bills, however the two terms are not synonymous. Increasing the energy efficiency of homes means reducing the amount of energy units that you require to use to maintain a certain level of comfort, the definition of fuel poverty means that you have to use more than 10% of your income to meet fuel costs and this relates to the amount that you pay per unit. Unit costs of energy have been increasing beyond the rate of inflation and are set by the Energy Suppliers so fuel poverty will still be an issue and this needs to be clearer in the language surrounding the issue

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

The potential benefits in relation to reduced fuel use and increased comfort are benefits that tenants would value and appreciate. However the potential of savings is one that is much more difficult to quantify and we would not stress since it depends on factors out with our control relating to both the price of energy charged to the consumer, many of whom will be on prepayment meters and an individual's financial circumstances. It may be that a family do not pay more or less that they did before the installation of the energy efficiency measures but that they achieve more efficient use and more comfort than previously.

This is probably particularly true of the second group mentioned who spend more time at home.

The proposal to introduce a duty on Social landlords to encourage tenants to reduce their energy consumption is not one that we would welcome. For many tenants the issue is not one of reducing energy consumption, they already do this themselves because they cannot afford to heat their homes the issue is about ensuring that the energy they do purchase heats their home efficiently. By and large tenants are unlikely to make any savings on their expenditure but they might obtain better value and more comfort from the money that they do spend.

The association already provides regular advice to tenants about energy efficiency and given the price of energy the majority of our tenants are probably more aware of the cost of heating their homes than most. The resourcing of such a follow up service as proposed would have significant financial implications for landlords. Rather than stigmatise tenants of social landlords as being less able to manage their expenditure if the Government is serious about energy efficiency then all households should be targeted

Question 4(b): If no, why is this? How would you suggest we increase tena awareness of the importance of energy efficiency?	ant
Question 5: Do you consider any particular equality groups will be at	

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.

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.

Comments

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

This question seems to assume that tenants do not manage their energy consumption. Tenants do manage their energy consumption which is limited by what they can afford. If the property is more energy efficient then that means that they will get better value for the money they do spend. This question is patronising and it seems to be that tenants of Social Housing are being treated as a separate category of people who are unable to manage their own lives. This is a very dangerous mindset and should be avoided.

The reason that people are in fuel poverty is often two fold ,firstly they live in homes that are difficult to heat and secondly they do not have sufficient income to heat them to a level that is sufficient for them to lead comfortable and healthy lives. The proposed standard should address the issue of hard to heat ,it will not necessarily address the affordability of energy to people on low incomes

Question 8: Do you think that example case studies will be helpful or unhelpful in taking forward the Standard?
Helpful ☑ Unhelpful □
Case studies should be helpful as long as they are relevant and can be replicated at reasonable cost. Studies that provide expensive non standard solutions are not helpful
If you think they are helpful:
Question 8 (a): Are these the right range of dwelling types to be represented as case studies? Yes □ No ☑
There are no upper or ground floor interwar cavity flats on the list. There are no ground or top floor Post 1950-64 flats on the list All other flats seem to be mid floor rather than ground or top floor There is no recognition of the presence of gable ends on flatted properties
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?
The ones detailed above would be helpful
Question 9: What are your views on using the SAP/RdSAP methodology for regulating energy performance in the social rented sector?
It is difficult to comment since the new assessment method has still to be rolled out in Scotland. It does provide a tool but obviously it is only as good as the assumptions that are fed into the model.
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.
It is difficult to agree that the 1990 measures accurately reflect the position at that time since it is based on generic house types rather than the actual position at the time. For example these seems to be an assumption about whole house central heating which was often not the case in some of the properties

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

Yes [No	\checkmark
-------	----	--------------

Not in all cases particularly in relation to the fitting of Solar PV or Solar Water. The costs of providing such systems is still an issue and the uncertainty in relation to Feed in tariff makes it difficult to make commitments to install these systems. In addition not all roofs will be at the correct orientation to benefit from the fitting of these forms of micro generation so it should not be applied as a blanket option to reduce carbon emissions.

Internal insulation may be feasible in certain properties but not in all and there may well be issues relating to reducing floor area in properties were that is at a premium. It is also expensive and disruptive to tenants to install and the small gain in efficiency would be hard to justify both financially and socially

Question 11 (a): Please provide further explanation of any measures that you think should <u>not</u> be included within the modelled case studies.

Any measures which are expensive to install and which it may not be possible to replicate across the house type.

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>?

No comment		
------------	--	--

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	\checkmark
-----	----	--------------

If not, please explain why.

If the standard is to be named the Energy Efficiency Standard then it should be a measure of Energy Efficiency that is used. If the Environmental Impact Rating is to be used then the name of the standard should reflect this fact. It is also true that some works which will increase the EI rating will result in a lower EE rating this would be difficult to explain to tenants and could lead to an increase in fuel poverty which is surely not the result wanted. While climate change is a concern to tenants by far the greater concern is how they keep their homes warm

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 *current* Energy Efficiency rating should not reduce?

Yes ☑ No □			
There has to be a safeguard to ensure that tenants are not worse off after works are carried out to the property. The introduction of a standard should help to alleviate fuel poverty not increase it.			
Question 14: In assessing your stock against the proposal for a new stand 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.			
Currently EPCs are only obtained for void properties or where there has been significant works under taken. There will be additional costs associated with obtaining an EPC for every property if this is required as part of the standard. There will also be issue with gaining access to properties for the survey since tenants may not allow access to the surveyor. There will also be time and cost involved for the landlord in ensuring that there are systems in place to allow the data to be recorded and accessed to allow for reporting There is also a statement that it would be fair to all landlords since they will make an equivalent contribution which I fail to see how it can be made since the level of contribution will vary between landlords depending on the nature of the stock and their location. Presumably it will be harder to reach the standard in an rural area where there is no mains gas and options for other fuel sources are limited. Question 15: Do you think that the ratings at paragraph 6.7 of the consult	tation		
document are suitably challenging? <u>If not</u> , please give explanations <u>why not</u> and <u>suggest more suitable rating</u> Yes ☑ No □	<u>s</u> .		
At this stage of the process and with so many assumptions it is reasonable to set a standard that should be achievable in the majority of property types at a reasonable cost. It will also mean that in the future there will be factual basis for looking at future changes to the standard			
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 rating suggested probably reflects the situation that will actually exist. There is little point in setting a standard that the houses in that category are unable to achieve. In these circumstances it is likely that the association would have applied for an exemption for this element of the SHQS			

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?

This is an aspiration but whether or not it will be possible to achieve in all cases is difficult to predict. This could place a very difficult burden on associations operating in rural areas where installing renewable heat sources may be both expensive and difficult to achieve based on current technology. There is also the problem of maintenance of renewable heat systems which can be both costly and difficult to maintain. Over time this may change but at the present it is difficult to see how this could be delivered without incurring significant costs which would place an increased burden on rents and further marginalise tenants 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.
Comments

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?

While this would seem equitable in principle in practise a landlord may have stock which exceeds the standard and some which are just below due to factors out with their control and there could be a case for looking at the broad picture and the saving in emissions achieved by the landlord collectively rather than focussing on individual properties. If there are to be exemptions then a more global view would probably have to be taken.

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 ☑ No L

We agree with the principle of seeking a percentage improvement for hard to treat properties, rather than the use of minimum ratings. However, we do not agree that a set percentage reduction is appropriate. Identifying technical solutions that are feasible, cost effective, fundable and which reduce costs to tenants is too complex and too variable an undertaking to

lend itself to a set percentage approach.	
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 ☑	
If not, at what level do you think the reduction for unusual dwelling shou set that will be achievable but provide a meaningful contribution to the improved energy efficiency of social rented housing?	ld be
As described in our response to the previous question, we do not think that setting a standard percentage in such cases is feasible or appropriate. Non traditional housing is likely to require individual solutions which will typically be more expensive. It would be more appropriate for the Standard to require landlords to devise improvement strategies that maximise the percentage reduction that can be achieved. Setting the target reduction at 42% has no reasonable basis, other than the targets set out in the climate change legislation.	
Question 21: Do you think that there should be exceptions to the proposenergy efficiency standard? If so, how should they be treated? Yes ☑ No □	sed
There may be cases where it is not possible to achieve the standard for reasons out with the control of the landlord. In multi tenure situations where there are other owners both of residential and commercial properties it may not be possible to carry out the work needed to achieve the standard.	

Listed building may mean that it is impossible to achieve the standard either physically or at reasonable costs.

Tenants may refuse to allow you access to carry out the works

The costs of achieving the standard are prohibitive compared to the benefits obtained for the tenant

If the item has to be replaced well in advance of the replacement cycle allowed for with in the stock condition survey

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

The funding streams available at present are complex and difficult to access and bureaucratic. The current funding streams are finishing and it is unclear as yet how the new Green Deal and ECO will work. There is a need for a more straight forward one stop shop for accessing funding and there need to be more certainty about the actual amount of funding that you will actually achieve.

Funding streams based solely on the amount of carbon reduction that is

achieved mean that properties which have received investment receive less funding for the same measure as a similar property where there has been no investment. As properties become more efficient the amount of emission reductions achieved by further measures reduces but the cost of doing this work can be substantial. The same is true of hard to heat properties where the cost of carrying out the measure bears no relation to the amount of grant funding available

Even with funding the landlord will still have to fund the balance of costs

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	$\overline{\mathbf{A}}$
	\mathbf{L}		_

from current income streams.

The financial assistance available for RSLs is actually limited and as has been stated the experience to date has been that obtaining financial assistance is both difficult and time consuming and there is no real certainty about the actual sum to be paid until after the measures have been completed.

In spite of the case studies there is still a concern that the actual costs of treating properties to achieve the standard will be a major issue. There has to be a real concern about the ability to fund such work without impacting on rents which are already under pressure from the impact of Welfare Reform

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 support this aim, and suggest that methods such as modern apprenticeships, community benefits clauses and direct working with the construction industry on issues such as employment contract conditions could all contribute to the desired outcome. Community organisations, including housing associations, also have the potential to promote employment opportunities, for example through the work they carry out in schools and through social enterprise activities.

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

We are not aware of any	apart from the ones mentioned	

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? <u>If so</u>, who and how?

Yes ☐ No	
We agree that high level reporting on EESSH progress could usefully be carried out as part of landlords' annual reports to SHR. Beyond this, we are not sure that the SHR has either the resources or the specialist expertise to assess the results reported by landlords or the need for exceptions or abeyances.	
Question 27: Are there any other costs associated with monitoring landlord progress towards the energy efficiency standard?	ls'
Yes ☑ No □	
Currently, landlords are only required to produce an EPC following a change of tenancy. The introduction of the Standard would mean that EPCs need to be produced for every individual property by 2020, and that this would need to be repeated after new energy efficiency measures are carried out.	
Landlords will also incur a range of other costs – for example, in seeking energy company funding and in developing systems for recording and reporting against the EESSH targets.	
Question 28: Should there be regular milestones to measure progress towar 2050? If so, what dates would you suggest? Yes □ No ☑	rds
Given the challenges involved in meeting the proposed 2020 targets, we suggest that the Scottish Government's focus should be on those targets initially.	
Question 29: Do you agree that setting the longer-term milestones should be deferred until progress towards 2020 can be reviewed? Yes ☑ No □	е
There are still many unknowns in relation to the actual implementation of the proposed standard and the ability of RSLs to fund the range of measures that may be needed. Given the on going works to deliver SHQS and the need for associations to gather the data necessary for them to assess the measures that they might have to take to deliver the standard and with the time limits of funding sources it would be sensible to defer the setting of milestones. This is also an area that is subject to changes in technology and it is impossible to predict so far into the future at this stage	

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</u> <u>so</u>, please outline what action you would like us to take.

Social housing is occupied to a high degree by households on low incomes and by older people. It would be appropriate for the Government to give more explicit consideration to the impacts that the proposed EESSH policy will have on these population groups.