

Developing an Energy Efficiency Standard for Social Housing

RESPONDENT INFORMATION FORM

Please Note this form **must** be returned with your response to ensure that we handle your response appropriately.

Responses should be sent to: eessh@scotland.gsi.gov.uk or by post (details can be found on page 41 of the consultation document).

1. Name/Organisation

Organisation Name

ALACHO (Association of Local Authority Chief Housing Officers)

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3. Permissions - I am responding as...

Individual

Group/Organisation

Please tick as appropriate

(a) Do you agree to your response being made available to the public (in Scottish Government library and/or on the Scottish Government web site)?

Please tick as appropriate Yes No

(b) Where confidentiality is not requested, we will make your responses available to the public on the following basis

Please tick ONE of the following boxes

Yes, make my response, name and address all available

or

Yes, make my response available, but not my name and address

or

Yes, make my response and name available, but not my address

(c) The name and address of your organisation **will be** made available to the public (in the Scottish Government library and/or on the Scottish Government web site).

Are you content for your **response** to be made available?

Please tick as appropriate Yes No

(d) We will share your response internally with other Scottish Government policy teams who may be addressing the issues you discuss. They may wish to contact you again in the future, but we require your permission to do so. Are you content for Scottish Government to contact you again in relation to this consultation exercise?

Please tick as appropriate Yes No

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

(Tick one only)

| | |
|---|-------------------------------------|
| Executive Agencies and NDPBs | <input type="checkbox"/> |
| Local authority | <input type="checkbox"/> |
| Other statutory organisation | <input type="checkbox"/> |
| Registered Social Landlord | <input type="checkbox"/> |
| Representative body for private sector organisations | <input type="checkbox"/> |
| Representative body for third sector/equality organisations | <input type="checkbox"/> |
| Representative body for community organisations | <input type="checkbox"/> |
| Representative body for professionals | <input checked="" type="checkbox"/> |
| Private sector organisation | <input type="checkbox"/> |
| Third sector/equality organisation | <input type="checkbox"/> |
| Community group | <input type="checkbox"/> |
| Academic | <input type="checkbox"/> |
| Individual | <input type="checkbox"/> |
| Other – please state... | <input type="checkbox"/> |

CONSULTATION QUESTIONS

Question 1: Do you have experience, or know of, social landlords acting as 'pioneers' in addressing energy efficiency?

Yes No

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

As ALACHO is the representative body for Scotland's local authorities who will each be responding to this consultation providing details of their experience in this area.

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?

ALACHO is not a landlord, but we note the significant number of councils citing difficulties in securing commitment from owners in mixed tenure estates as a major cause of abeyance, especially in relation to controlled entry systems for blocks of flats. Securing commitment to the common elements of energy efficiency improvements could be a particular challenge **Several councils have raised the difficulties likely to emerge from limiting the proposed new standard to social housing only.** In a situation of multi ownership in common blocks, where only social landlords are compelled to improve to the new standard, it will be doubly difficult to convince other owners, including private landlords, to co-operate with improvement programmes, unless very generous financial incentives are offered in the absence of sanctions.

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

The experience of councils is mixed. As noted above, the main issue in improving properties is in securing the commitment and co-operation of the various owners involved.

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

The trust placed in councils and RSLs by local residents can be a positive factor in securing commitment to improvements, together with some form of grant assistance. In our opinion the best approach is one which tries to secure commitment and participation through information and advice about the merits of a project, coupled with financial assistance wherever possible. Any successes achieved so far will certainly demonstrate these components. However there is little doubt that a consensual, voluntary approach needs to be backed by the existence of potential sanctions to be used as a last resort.

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 maybe

In our view, this depends on how the question is put to tenants. If the question is put in terms of making their homes warmer and more comfortable, possibly with associated significant reductions in heating bills, improving energy efficiency is likely to be seen as a big priority for tenants. Reducing carbon emissions may be seen as less directly relevant to their lives, important though it may be to society in general.

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

It seems to us that unless tenants perceive clear benefits in terms of warmer, more comfortable homes and / or reduced fuel bills the task of "selling" energy efficiency improvements and generating tenant behavioural change will be made more difficult. Improved health benefits, in terms of alleviation of respiratory and other conditions, particularly for children and old people, could also be highlighted.

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

Through education and advice, especially the provision of information on the benefits obtained by neighbouring tenants, or tenants in similar situations, arising from energy efficiency measures. Similarly, the provision of focused and relevant information within tenant handbooks and or similar documents, and face to face conversations with trusted operatives on energy efficiency, including the use of heating controls etc would also be helpful.

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.

If the policy is promoted with due regard to the presence of different equality groups in the localities and properties affected, supported by a robust impact assessment and implementation plan which ensures any cultural or other nuances are accommodated, the prospect of disadvantaging equalities groups in implementation should be minimised.

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.

Given that the standard as proposed will only apply to social landlords, there must be at least the prospect of rent increases being required to pay for energy efficiency improvements. Thus those already poor, perhaps as a consequence of fuel poverty, may see conditions and incomes worsened as a consequence of the cost of energy efficiency improvements, especially if in households adversely affected by welfare reform issues.

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

In our opinion there is really no substitute for good quality advice and information, both on a face to face basis with competent persons demonstrating the correct operation of appliances etc and through high quality accessible written information which can be left with tenants. (see also 4(b) above) and/or contained in Tenant Handbooks and information packs.

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

Helpful Unhelpful

In our opinion, example case studies should be an essential component of educating tenants and landlords in the benefits of energy efficiency improvements.

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

For the purpose of case studies, ALACHO is happy that the range of dwelling types is broadly representative of common house types in Scotland. We would however expect individual local authorities to highlight any anomalies or additions to the case study list. Obviously, local authorities are best placed to understand and assess the impact on their own housing stock.

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): If yes please state type and say why you think they should be included?

It would seem eminently sensible not to just cover the more common or "easier to treat" house types in the case studies but to consider and disseminate information on potential improvements to our harder to treat dwellings. We are happy to leave the identification of such types to individual authorities, who as noted above, are best placed to do this.

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

ALACHO is happy with the rationale provided in the consultation for using for using SAP/RdSAP and believe its current use by social landlords would militate against the introduction of a completely new methodology. We are aware of some concerns on the finer points of SAP/RdSAP and its efficacy but are happy to leave comment on the detail to the domestic energy experts within local authorities. (Although not experts, we are given to understand that the 9.91 improvements to version 9.90 address some of the concerns identified with earlier versions of the assessment technique). We also note the additional costs which may be incurred by social landlords at a time of resource constraints and would expect to see this acknowledged, and all possible assistance provided.

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.

Opinions seem to vary on this question across councils and it is difficult for ALACHO to identify a consensus here. Some have commented that the assumption of full central heating in 1990 may be over optimistic. Others that by 1990 improvements might have been greater than estimated (e.g. in loft insulation) We are content to leave judgement to individual councils. We do of course accept that some form of baseline is essential as a starting point to measure progress towards meeting the standard over time.

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

Yes No

In broad terms the answer would appear to be yes, although here too, opinions vary on the technical and cost feasibility of the suggested improvements, with some councils highlighting the technical and financial difficulties in installing measures such as internal insulation or underfloor insulation. It is also pointed out that certain other measures, such as electric storage heating (the only solution proposed for homes heated by electricity) being ineffective in tackling fuel poverty, and it would be helpful to see more innovative solutions modelled here. For most the **cost** of improvements is an obvious concern.

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

We are content to leave this to expert opinion within local authorities

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

We are content to leave this to expert opinion within local authorities .

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.

Although broadly in favour, ALACHO is content to leave the finer points of this debate to the experts in the field. We are however aware of some concerns that the standard may place over reliance on reducing carbon dioxide as a measure of energy efficiency with less emphasis on fuel poverty reduction, and that some cognisance needs to be taken of the constant increases in energy costs in increasing fuel poverty.

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

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

If yes, please explain why.

ALACHO is not a landlord, but for most council, property details relevant for RdSAP will already have been captured to some extent. Decisions will need to be taken on the extent to which gaps in databases need to be filled and whether to update to the new 9.91 version of the methodology. The costs in so doing will as ever be a crucial factor.

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, sufficiently challenging but potentially costly to achieve over the 8 year timescale envisaged. It must also be said that, with the NRP funding apparently being confined to the private sector, many councils and RSLs question the equity of funding between the social and private sectors at a time when the standard is only being imposed on the former.

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

Because such homes are likely to be very rare in the social sector .

Question 17: What are your views on whether all social rented dwellings should be heated by gas, electricity or renewable heat sources by 2030?

ALACHO has no firm views on this question. Councils should aim to ensure that *all homes in their management* are adequately heated and have a decent hot water supply, at an affordable cost, irrespective of fuel source. Future decisions about fuel source will depend on the then current cost and availability, which itself may be a function of technological progress.

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.

ALACHO is content with the reasons given for their rejection at an earlier stage of the consultation process.

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?

Here too we accept the rationale for this proposal. Applying the standard to individual homes would be costly and impractical even if ultimately providing a more precise empirical measure of progress.

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

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 should be set that will be achievable but provide a meaningful contribution to the improved energy efficiency of social rented housing?

Targets reductions should be set at levels which are challenging but achievable taking into account cost and feasibility. This is likely to vary across councils and unusual house types and the setting of an arbitrary target is not likely to be particularly helpful .

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

Yes No

Difficulties will be presented in the shape of securing both tenant commitment, and buy in from other owners in common blocks, so requiring compliance at all cost is unfeasible. It should be up to councils to identify standard cases of such exemptions and agree appropriate treatment with the regulator. Some councils and other landlords are concerned that they may be unable to let homes which do not meet the standard, such as traditional tenements or other difficult to treat (but otherwise lettable) homes. ALACHO does not believe this to be an intended outcome of the new standard but would welcome clarification from government on this issue.

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

ALACHO believes that it is essentially the role and function of the Scottish government to identify and maximise funding opportunities for Scottish councils and other social landlords and in particular by ensuring that ECO spend in Scotland is maximised and equitably distributed throughout Scotland.

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

Councils are concerned that the high cost of some energy efficiency

improvements may be unaffordable in the current economic climate, particularly for landlords with a high proportion of hard to treat stock. The forecast reductions on revenues arising from welfare reform are a real and pressing concern. It remains to be seen of course whether the range of financial assistance will be adequate to meet the many challenges likely to be involved in meeting the new standard.

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.

ALACHO believes that the case of advancing gender equality in the retrofitting industry should begin in schools, where the career opportunities presented by this new emerging industry can best be promoted to school pupils and school leavers. Similarly, the promotion of industry related training and awareness schemes for women should be promoted, together with general campaigns of awareness of job opportunities and training , especially for the unemployed.

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

WE believe the Scottish government, having oversight of the current process is best placed to recommend optimum data sources and capture. It does appear from the document that at least some of the data sources rely on voluntary data entry and as such may need more robust insistence on data uploading.

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

SHR would seem to be the obvious body to monitor progress towards achieving compliance with the proposed standard.

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

Yes No

Yes the staffing and IT cost of on-going systems development and integration to ensure energy efficiency monitoring becomes integrated into standard council property data base updates.

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

Yes No

It would appear sensible to have at least one review assessing progress towards the 2012 target, say in 2017 then review perhaps every five years from 2020 to 2050.

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 equality issues. If so, please outline what action you would like us to take.

Nothing immediate comes to mind, although no doubt opportunities will emerge as work on the strategy progresses, and every opportunity should be taken to exploit these.