Delivering Net Zero for Scotland's Buildings Changing the way we heat our homes and buildings

A Consultation on proposals for a Heat in Buildings Bill

Child Rights and Wellbeing Impact Assessment (CRWIA)



November 2023

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Disclaimer

This draft document is an initial assessment of the impact of a Consultation on Proposals for a Heat in Buildings Bill and Scottish Government will continue to review and update this document where required during the parliamentary process. Any future iterations will reflect an increased understanding of these impacts as the amount of data and research available continues to grow.

This impact assessment should be read in conjunction with the Equality Impact Assessment and the Fairer Scotland Duty Assessment.

CRWIA Stage 1 – Screening

1. Brief Summary

Name and its overall aims: 'A Consultation on Proposals for a Heat in Buildings Bill', 'The Consultation'

Summary of desired outcomes of the Consultation and its subsequent Heat in Buildings Bill:

Our plans for decarbonising Scotland's buildings were set out in our 2021 Heat in Buildings Strategy. This made clear the ways in which regulations requiring us all to reduce our energy demand and change our heating systems will be essential to reducing emissions from Scotland's buildings and delivering our public Net Zero goal by 2045.

The Strategy also made clear that no one should be left behind in the heat transition. This means ensuring that poor energy efficiency is removed as a driver of fuel poverty and that our proposals and actions as a whole help reduce fuel poverty. We believe that the changes and improvements delivered by the proposed way forward laid out in this consultation will make our homes and buildings cleaner, greener, and easier to heat.

We are introducing standards for new buildings (domestic and non-domestic) which will prohibit the use of direct emissions heating (DEH) systems from 2024; we now need to focus upon Scotland's existing homes and buildings. At the moment, 21% of our emissions come from our domestic and non-domestic buildings, with around 5,000 clean heating systems installed per year in Scottish homes. These include systems like heat pumps, modern electric storage heaters and heat networks and will be referred to throughout this document as clean heating. Conversely, systems like gas and oil boilers will be referred to as 'polluting heating'.

To reach our net zero target, the number of clean heating systems in use must increase while the number of polluting heating systems in use falls to nearly zero. For non-domestic properties with 230,000 non-domestic buildings and 17 TWh energy consumed, this indicates significantly higher energy use of non-domestic buildings when compared to domestic buildings.

As well as changes to the heating systems in individual properties, we are also progressing work to deploy "heat networks" across Scotland, which could play an important part in reducing or removing emissions associated with heating buildings on that network. We believe that they will play an important part in the heat story across Scotland.

Proposals included in the Consultation:

Proposal 1 - Setting a Heat in Buildings Standard for all buildings

We are proposing to include powers into the Heat in Buildings Bill to establish a 'Heat in Buildings (HiB) Standard'. This will affect all buildings in Scotland and will comprise three separate, but linked, parts: • a prohibition on the use of Direct Emission Heating systems after the end of 2045 for all buildings

• In owner occupied homes – require such homes to meet a minimum energy efficiency standard by the end of 2033. Any home owner who had installed these measures – or as many of them as are feasible for the type of home they live in – would be considered to have reached a good level of energy efficiency and meet the new standard ; and

• In private rented homes – require landlords to meet a minimum energy efficiency standard by the end of 2028

Proposal 2 – Scope of the Heat in Buildings Standard (extra time to take action)

The HiB Standard set out in Proposal 1 will mean that all homes meet the energy efficiency and Clean Heating requirements by 2045. However, we know that, in some cases, extra time might be needed to help people undertake the necessary works, or to take into account individual circumstances.

This is why we are proposing to introduce the HiB Standard affecting only main heating systems in a property. We are also proposing to give extra time in the period to 2045 to those already using bioenergy to meet the clean heat requirement of the Standard. Where there is no clean heating solution available to some homes and businesses, we are also proposing to give extra time until cleaner alternative fuel options become available.

Proposal 3 – Phasing of the Heat in Buildings Standard (Property purchase)

To help us contribute to our interim targets to reduce emissions by 2030 we are proposing to require those purchasing a property to comply with the prohibition on polluting heating within a specified amount of time following completion of the sale (for example, two years).

This 'trigger' will apply only after we have developed and consulted on further regulations which will help implement the proposals. This proposal places no new obligation on the seller.

Proposal 4 – Phasing of the Heat in Buildings Standard at other points in time

In the future it may make sense, or be possible, to require people to end their use of polluting heating, for example, when their current boiler comes towards the end of its life.

We are proposing to include in the Bill powers to allow Scottish Ministers to require property owners to end their use of such polluting heating in other circumstances – but these powers would be the subject of further consultation as well as needing the future consent of the Scottish Parliament.

Proposal 5 – Connecting to and developing Heat Networks

We know that heat networks are one of the clean heating systems that people will be able to use to comply with the HiB Standard. We want to see growth in this sector and we know that there is significant interest from local authorities and private investors in owning and operating these systems.

To attract more investment in this sector we are proposing that we provide local authorities and Scottish Ministers with powers to require buildings within a Heat Network Zone to end their use of polluting heating systems (by a certain date and within a minimum notice period).

Where a building is within a Heat Network Zone we are also proposing that building would not be affected by the property purchase trigger. This is to help preserve the business case for the network. Buildings within these zones will be required to meet the Standard when a heat network becomes available, either by connecting to that network or by installing another clean heating solution.

For new buildings within a Heat Network Zone, we are considering the creation of powers to allow local authorities and Scottish Ministers to require developers to connect to that network.

In the development of Heat Networks, the use of 'excess', 'surplus' and 'waste' heat are currently underused resources. If this can be fed into a heat network it may increase the number of viable heat networks across Scotland. That is why we are also proposing that occupiers of non-domestic properties to provide information about unused heat on their premises, and potentially require buildings with unused heat to provide this to a local heat network (where cost effective).

Proposal 6 - Dealing with individual circumstances

We know that property owners are all different, with different means and facing different circumstances. This means that their ability to change their home in order to meet the HiB Standard will vary greatly. We plan to take proper account of these individual circumstances through the use of exemptions and agreement of extra to give individual homeowners or landlords some extra time to meet the HiB Standard depending on their individual circumstances.

This is why we are proposing to establish formal powers to exempt those who cannot, or perhaps should not have to meet the HiB Standards. We are also considering the use of modifications to the Standard to account for individual building circumstances or unique characteristics.

We also need to make sure there is a proper route for people to appeal where they feel the requirements are incorrect or unfair.

Proposal 7 – Public sector buildings

There are around 23,000 non-domestic buildings are owned by public bodies. We believe that the public sector should show leadership by moving to use clean heating systems by the end of 2038 and have set out proposals to achieve this.

Proposal 8 – Amendments to existing legislation

Finally, our Heat in Buildings Strategy set out a provisional target for renewable heat of at least 22% by 2030. However, this target doesn't capture the ways in which Scotland is performing on heat decarbonisation and emissions as a whole. We think the proposed Bill gives us an opportunity to change this.

2. Which aspects of the relevant proposal currently affects or will affect children and young people up to the age of 18?

The Articles of the UNCRC and the child wellbeing indicators under the Children and Young People (Scotland) Act 2014 apply to all children and young people up to the age of 18, including non-citizen and undocumented children and young people.

The principal actions set out in The Consultation will impact on all children and young people up to the age of 18, including non-citizen and undocumented children and young people in Scotland.

Having homes that are cleaner, greener and easier to heat impacts on children and young people. The Consultation sets out proposals to improve the fabric and heating of all Scotland's homes and buildings which includes spaces for children such as schools and community buildings.

3. Which groups of children and young people are currently or will be affected by the relevant proposal?

Under the UNCRC, 'children' can refer to: individual children, groups of children, or children in general. Some groups of children will relate to the groups with protected characteristics under the Equality Act 2010: disability, race, religion or belief, sex, sexual orientation. 'Groups' can also refer to children by age band or setting, or those who are eligible for special protection or assistance: e.g. preschool children, children in hospital, children in rural areas, looked after children, young people who offend, victims of abuse or exploitation, child migrants, or children living in poverty.

All children up to the age of 18 including non-documented and non-citizen children but specifically:

- illness or babies and very young children.
- Children in families of the six child poverty priority family types most at risk of poverty.
- Children in families in or at risk of fuel poverty.
- Children and young people living in care.

Declaration

4. Is a Stage 2 Children's Rights and Wellbeing Impact Assessment required?

CRWIA not required \boxtimes Please explain why below and contact the children's rights unit to discuss this decision <u>crwia@gov.scot</u>

Explanation why CRWIA is not required:

A CRWIA is not needed at this stage as the proposals are subject to amendment based on the findings of the consultation and do not represent the final content of a future bill. A full CRWIA but will be conducted in full for the final bill, this will allow findings from the consultation to be fed in for a more holistic assessment process.

Sign & Date

Policy Lead Signature & Date of Sign Off:Peter Brearley 10/11/23CRWIA author, if different from policy lead, Signature & Date of Sign Off:Date of Sign Off:Deputy Director Signature & Date of Sign Off:Sue Kearns, 14/11/23Date SGLD contacted:confirmed



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