

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

(Tick one only)

Executive Agencies and NDPBs	<input type="checkbox"/>
Local authority	<input checked="" 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 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.

The council partnered with the Energy Savings Trust to undertake extensive improvements to the properties in Moray Street, MacDuff and at the same time to internally insulate these solid wall stone built properties with an innovative insulating material developed in Scotland.

Further details can be obtained from the EST or via the Housing Service by contacting Dave Thomson, Principal Policy Officer (Technical), 01467 628292 dave.thomson@aberdeenshire.gov.uk

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

Energy Efficiency in off gas areas, particularly stone built properties and those of a non-traditional construction. Improving the thermal efficiency of these construction types is essential but expensive and highly disruptive for the occupiers. To install renewable heating systems in these properties is counter productive due to the systems operating at lower temperatures and in properties with high heat loss the cost of achieving reasonable temperatures makes the systems uneconomic.

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

To date there have been limited experiences in mixed tenure properties, mainly as the other tenures are reluctant to commit to substantial energy efficiency improvements. There have been barriers, for owners, as the Council installs insulation that will not only improve the thermal comfort but also addresses issues such as penetrating dampness and/or structural application. These materials tend to be at a premium cost which other tenures are not prepared to meet as they don't have such a long term view for the future of the property.

There has been some success when installing measures where substantial grant assistance/support has been available such as through the Universal Home Insulation Scheme (UHIS).

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

The service is currently drafting a Common Repair Procedure which will focus on these issues.

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

Yes in a recent survey of all council tenants, a high percentage said that they see energy efficiency as a priority and would welcome improvements to council properties. However, they also stated that they would not be prepared to pay more rent for improvements to the energy efficiency.

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

Comments

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

One of the main issues that requires to be highlighted is the level of expenditure on household energy use that isn't for heating and hot water. There requires to be a change in culture to reduce this energy usage in homes and the landlord can not be responsible for this element.

It is hoped that the introduction of SMART metering will assist with this, by clearly identifying the areas of expenditure within the house, to enable householders to identify areas of high cost and make informed decisions on their energy usage.

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.

There are concerns that the settings of varying levels of targets dependent on fuel type and construction type will result in houses that have a huge variance in terms of running costs for those living in the properties. This will be particularly stark for landlords that operate in rural areas. In Aberdeenshire Council 7000 properties are in off gas areas and will struggle

to achieve the SHQS let alone more onerous EESSH. Although the methodology is understood and the reasoning accepted, it is considered that there is a danger of those with lower standards and/or SHQS exemptions and abeyances being considered as acceptable yet increasing the prevalence of fuel poverty. Just because a house an electrical heating system shouldn't mean it has a lower energy efficiency target, especially as that fuel costs more than a gas heated property.

Aberdeenshire Council is concerned that the government is funding an expansion of the gas mains network, as it is considered that this fuel type doesn't have a long term sustainable future. Aberdeenshire Council would rather see increased funding to facilitate programmes to externally/internally insulate the walls of the poorer performing properties in off gas areas.

Aberdeenshire Council are keen to develop an affordable warmth policy that will be incorporated into the rent setting criteria at the next review. This should help level the playing field, as those living in the less energy efficient housing will pay a lower rent than those living in a similar but highly energy efficient home.

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.

Due to the reduced standards proposed for properties that are electrically heated it is considered that this may place social housing tenants at greater risk of fuel poverty in these properties.

There is particular concern that the standard is proposing a move away from running costs to focus on carbon emissions almost in isolation. There is support to reduce emissions but not if this risks increasing running costs for individual households. There must be a realisation that reducing carbon emissions may place households at greater risk of fuel poverty.

The council support the proposal in the standard that any new work must at least maintain the current RdSAP rating for the property.

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

A cultural change is definitely required to reduce energy consumption and this will take considerable effort to enable. The most dramatic demonstration of energy use within a house is to identify the energy use of individual appliances. With the move to install heating systems with lower carbon emissions but still run using electricity for example air/ground source heat pumps, it would be advisable to install dual meters one for the household use and the other for space and water heating. Many tenants complain that the new heating has increased the electricity bill forgetting that the cost of their space and water heating is now included in this bill.

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

Helpful Unhelpful

The case studies are helpful, but require further detail about the properties in question. There also appear to be property types missing for example:

- House type A is split by ground/mid/top floor flats yet House type B shows only mid floor flats, is there a reason for this?

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

As the range of buildings comes from the Scottish House Condition Survey (SHCS) it is assumed that this is statistically valid, however on comparison to the council housing in Aberdeenshire only 34% could be apportioned to a case study.

Was the information from the SHCS calculated using all stock in Scotland or only Social Housing, if it was calculated on the whole of Scotland rather than limited to Social Housing this may have some bearing on why only 34% is covered?

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?

In Aberdeenshire Council 66% of the council housing could not be attributed to the case study house types therefore, there requires to be a detailed methodology for landlords to use to calculate the 1990 baseline figures for these missing house types. At present it is not clear how this is to be undertaken consistently by all landlords. Without a clear transparent methodology the monitoring of the standard will not provide accurate and robust data.

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

Social Landlords are already required to use this methodology to provide Energy Performance Certificates (EPC) for every change of tenancy, therefore this is considered to be the most cost effective method of measuring performance. However, EPC only require to be recalculated every 10 years and therefore the standard should take account of the changing methodology used to calculate EPC and set standards for each of the historic, current and future versions of RdSAP.

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.

Unfortunately this is impossible to accurately check as there are no records within the service or elsewhere that are able to determine the accuracy of the assumptions in the consultation. However, from experience and anecdotal information the assumptions do appear to be broadly accurate.

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

Yes No

Generally there is support for the measures suggested however:

- For a lot of the house types further measures seem to indicate internal insulation, whilst this is feasible, it is less realistic as social housing. Because of declining numbers of social housing and rapidly increasing demand, it is not possible to find properties to use as decant accommodation to enable this extensive / intrusive / disruptive work to be undertaken, therefore in most circumstances this work is not practical. Another approach is to undertake this work with tenants in residence; our experience has shown that this improvement is refused by a significant majority of tenants due to the high levels of disruption. This type of work is also extremely costly, the cost is not just the materials, but also due to the extent of the work that properties generally require to be rewired / have new heating / kitchen / bathroom installed at the same time and then the whole house requires to be redecorated and disturbance allowances paid to the tenants. Due to the extent of the work the estimated cost of £5,000 used in the consultation document is unrealistic. Our experience has shown that work of this magnitude tends to be in the region of £20,000 – £60,000.

- Based on current costs the addition of photovoltaics (PV) to housing which is appropriately orientated is unlikely to be an option, particularly as this has such a minimal improvement to the RdSAP rating.

It should also be noted that a significant proportion of the stock will require further investment and improvement to meet the targets, at this stage it is difficult to estimate what this will entail as there is insufficient clarity on the calculation methodology for house types that aren't included in the case studies. This is largely due to the house types within the consultation only covering 34% of Aberdeenshire's Council stock.

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

No comment.

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?

Perhaps some modelling of what the impact of not having a mains gas network in Scotland would be on the aim of meeting the 80% reduction by 2050. This could include an estimate on the types and extent of new heating and insulation measures required to achieve the standard.

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.

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 are concerns that the move to measure carbon emissions could mean that tenants end up with carbon efficient heating systems that are expensive and more labour intensive to operate. For example a change of

heating to biomass from gas will ensure that the E1 rating is achieved but the tenant's costs will increase, they will also have to arrange for delivery of supplies and to regularly clean the system.

However, we are encouraged that the consultation suggests that a the existing RdSAP should be kept as a minimum following any change of heating, but also feel that there should be a minimum standard set and agreed. Would the existing RdSAP be as at 1990 levels or current level, and would this be an average for that house type or specific to each house? It is likely that there could be additional burdens on the landlord to collate and retain this level of information should a dispute occur in the future in regard to running costs.

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.

As the information required for this will require to be robust and will be open to scrutiny and challenge, it is considered that landlords will require detailed information at RdSAP (Green Deal Assessment Report – GDAR) level for all of their properties. This will be gathered over time through changes of tenancies, but to ensure that the targets are achieved may require landlords to undertake 100% energy surveys of their stock. Aberdeenshire Council intends to undertake a full energy survey of all its council housing in order to develop priorities for action, to build in an affordable warmth criterion to its rent setting policy and to be able to monitor progress towards the EESSH. However, not all landlords will be in position to undertake such a detailed survey or have the systems able to store and analysis such data to drive stock improvement decisions and enable strategic decision making.

Without this level of detail it will be difficult for all to accurately monitor progress towards the EESSH.

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

The service is currently undertaking an analysis of its stock to determine if the levels set are sufficiently challenging. However, as SHQS abeyances have been submitted for 1198 properties (10%) and these targets are higher than the SHQS it is likely that the EESSH targets will be a challenge and may be unrealistic, especially in the hard to treat off gas properties.

That is unless additional external funding can be identified and tenants are willing to accept the high levels of disruption necessary to enable potential improvements.

From an analysis of Aberdeenshire Council's stock condition database only 34% of their stock falls into one of the case studies. Of these 21% are gas heated properties and 13% are electrically heated. Using the basic energy information that the council holds in its stock condition database some analysis was possible at an individual house level the findings of which were:

- Properties meeting the SHQS in terms of energy efficiency
 - Gas = 99%
 - Electric = 33%
 - Other fuels = 84%
- Properties meeting the proposed Environmental Impact Rating
 - Gas = 12%
 - Electric = 3%
- Properties meeting the proposed RdSAP rating
 - Gas = 50%
 - Electric = 31%

It should be noted that these figures will vary as more robust data is made available but from the analysis of 4000 EPCs currently undertaken the data from which the above figures is derived is statically valid at a stock level. There is more variance at an individual property level.

The data above shows that in terms of EI ratings the proposed standards will prove to be extremely challenging.

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 standard doesn't undermine the SHQS and the SHQS has a facility for exemptions and abeyances. However, the SHQS does set out that reasonable efforts have to be undertaken to achieve the SHQS standard and only then can properties be considered for exemptions or abeyances. There is a danger here that the EESSH setting a standard that is lower will mean that the simple low cost options to improve the RdSAP will not be undertaken as the house passes the EESSH.

It should also be noted that although the standard has been set lower for this house type that there will be a considerable number of other properties that will also require targets set at a level lower than the SHQS.

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

The council would like to ask the Scottish Government if they consider mains gas is a sustainable long term choice for heating?

Houses heated using electricity as the main heating fuel struggle to achieve the SHQS let alone the EESSH, so unless electricity prices are reduced or technology improves there will be difficulty achieving the EESSH.

There is reluctance from tenants to part with their solid fuel heating; especially as in rural areas some tenants are able to obtain fuel from free sources.

Does this mean that Oil heating will not be permitted? In terms of meeting the SHQS the installation of oil heating is extremely effective; tenants enjoy the flexibility and responsiveness and also the affordability when compared to electric storage heating systems. However, many tenants can not cope with the cost of the initial fill of the tank and then the additional cost of setting up a direct debit payment to spread the costs for the next fill. This is currently being investigated to determine methods of support for these tenants. Therefore its exclusion would seem a little premature.

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.

NA

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?

In terms of accuracy it is agreed that landlords need to collect this information at individual house level, this is required to robustly prioritise improvement programmes to the properties in most need. However, this will place a burden on landlords, and there would be a need to permit house type analysis by fuel types to permit aggregation of this data. Over time all landlords should build systems to ensure that all data collected builds towards a 100% energy database linked to the landlord's stock condition databases and Asset Management Plans. The Scottish Government may wish to set a deadline for all landlords to achieve the 100% energy database – 2020?

Aberdeenshire Council will be tendering for a 100% survey of energy

efficiency to enable accurate targeting of improvements and to build an affordable warmth criterion into the council's rent setting policy.

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

Paragraph 6.14 states that *'As the case studies are designed to cover the main dwelling types, it is envisaged that there would be no requirement for any exceptions in the new standard.'* However as mentioned earlier in this response, Aberdeenshire Council undertook an investigation of their stock using their 100% stock condition database and discovered that **as little as 34% of the stock falls into the cases studies** therefore the cost assumptions used in the consultation will not apply to this council's stock and there may be a need for increased investment and/or exemptions.

It goes on to say:

'The ongoing peer review process is considering how best to handle the approximately 10% of the stock which isn't covered by the work done to date.'

It can be seen that a truer reflection of this council's stock is nearer 66%!

For this 66% the consultation suggests that:

'... a methodology is set out for landlords to follow. This would require them to use the 1990 base assumptions to record a baseline for their individual dwelling and calculate a set percentage reduction to identify a required improvement.'

For this council to undertake such an exercise for **8451** properties could, depending on the methodology proposed, be resource intensive.

The example provided suggests that the council enters details using RdSAP for each property to calculate a 1990 baseline for 66% of the stock this is an onerous undertaking. The example also refers to item 4.20 – which isn't in the consultation, what should it reference?

The difficulty with the majority of the 66% is that they are also in off gas areas, therefore meeting the EESSH will require extensive insulation upgrades to the walls either externally (not appropriate for the 17% that are off stone construction) or internally both of which are at high costs. From our experience considerably above the cost thresholds suggested in the consultation document.

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?

As detailed above there a considerable number of these properties in Aberdeenshire's Council Housing stock and the majority are either of stone construction or of non-traditional construction, also the majority are in off gas areas. As such to achieve the SHQS is a challenge and the authority has submitted 1198 energy efficiency exemptions on the grounds of improvements not being economically viable. Achieving the more onerous targets within the EESSH may for some properties be unrealistic.

Although it is understood that a lower standard for these specific properties may lead to an increased incidence of fuel poverty, it is still recommended that these properties are set at a lower level where landlords can demonstrate equality for tenants through negating the fuel poverty effect by building energy efficiency into rent setting policies.

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

Despite best efforts and best intentions to meet the standard, due to the variety of constructions types in Scotland, it is envisaged that there will inevitably be some properties that can not reasonably be brought up to the EESSH, for example stone properties in off gas areas, non-traditional properties and listed buildings.

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

The assumption that there will be little extra cost over the costs of meeting the SHQS is likely to prove to be erroneous.

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

As explained in the above responses the costs for those landlords that have

a significant proportion / number of 'hard to treat' properties off the mains gas network meeting the EESSH will be a significant challenge.

These properties will require more expensive heating installations, that will cost more for tenants to run (potentially placing them in fuel poverty) at least until technology improves, and they will require extensive internal insulation programmes, which will be at a higher cost than discussed in the consultation document.

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.

No comment.

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

No comment.

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

Aberdeenshire Council support the view in the consultation that the Scottish Housing Regulator would monitor the EESSH. However, there requires to be clarity for landlords on how they are expected to record and monitor this data and how they are expected to report on progress towards achieving it.

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

Yes No

The latest information is that cost of lodging an EPC is increasing. The consultation states that the cost of EPCs is around £30 Aberdeenshire Council would like to advise that in some rural areas this cost can be higher and that the new version of RdSAP is more onerous to collect and record and as such the costs may increase.

Also if the SHR is expecting Social Landlords to collate this information on 100% of its stock so that it can report at an individual house level, in a similar fashion to the current desired method for reporting on the SHQS, then there will be considerable additional costs over and above the legal

requirement referred to in the consultation. For the larger more rural authorities these costs will be considerable. For Aberdeenshire even at £30/EPC the costs would be £400,000.

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

Yes No

Aberdeenshire Council supports the recommendation in the consultation of milestones every 10 years at 2020, 2030, 2040 and 2050.

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

Yes No

It would be reasonable to suggest delaying the setting of suggested milestones, however landlords require to build the resourcing and planning of the progress towards the milestones into their business plans which are already laying out their plans leading up to 2050. As such should the development of targets and plans to achieve the 2030 target be left until after the analysis of the achievements towards the 2020 targets it could well jeopardise smooth progress towards future targets.

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.

It is understood why the targets for electrically heated properties are set well below the gas heated properties in terms of carbon emissions. But this means that the gas system that is already cheaper to operate has a higher energy efficiency standard set to drive down carbon emissions but this then makes the gas heated properties even cheaper for tenants to run. This is building in inequalities to social housing in Scotland. This could lead to a two tier system within council housing, with those in electrically heated properties being in fuel poverty, especially those in hard to treat properties. The Scottish Government should target these properties with additional funding to enable these to be brought up to a higher standard resulting in similar running costs for all.