

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

**(Tick one only)**

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

Castle Rock Edinvar recently received the Carbon Trust Award for refurbishment, recognising our innovative approach to improving hard to treat properties.

<http://www.carbontrust.com/news/2012/04/carbon-trust-scotland-low-carbon-building-awards-2012>,

In addition Castle Rock Edinvar has delivered a number of smaller initiatives across our property portfolio, including installation of solar PV and thermal, new treatments to dormer roof insulations and applied and won phase 1 funding for new innovation in a Technology Strategy Board open competition.

[http://www.castlerockedinvar.co.uk/about\\_us/green\\_organisation.aspx](http://www.castlerockedinvar.co.uk/about_us/green_organisation.aspx)

Castle Rock Edinvar's focus has been to improve the thermal performance of our properties and educate our tenants to make better use of their property and in particular their energy needs. We have supported our customers through the formation of a HEAT (Heat, Energy Advice Team) who conduct home visits and offer practical advice on the operation of heating. In addition CRE have supported 12 staff through a City and Guilds Qualification in Energy advice as well as simplify the heating controls through standardisation of controllers across a retrofit programme.

All this work stems from an Energy Strategy for existing buildings, an approach that in our view is essential if we are to make a contribution to climate change targets and meet the fuel poverty target.

Castle Rock Edinvar has agreed an Energy Strategy for existing building and Affordable Warmth Strategy. Our aim is to ensure all properties have an energy performance rating which is equivalent to a SAP rating of 58. This target would deliver the Scottish Government's proposed standards.

In undertaking these initiatives we have gained a great deal of experience with staff able to confidently offer advice or signpost customer on energy efficiency advice to. These range from assisting in the assessment of utility bills, switching suppliers, install easier to understand controllers or changing their energy use patterns. The level of knowledge required to retain the

expertise comes at a cost although our experience is that we are assisting many vulnerable customers who have other debt issues.

**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?**

Space standards for kitchen storage in tenement stock. Due to the demand for more electrical appliances there is a lack of space to incorporate the amount of cubic space within smaller kitchens.

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

Owners and absent landlords are reluctant to invest in improvements in particular tenement flats that attract buy to let landlords and first time buyers. These groups are less willing to pay and we have experienced difficulty in getting agreements to pay for essential repairs. Often owners assume Housing Association has capacity and should just arrange and pay for work.

We have worked with owners to deliver roof insulation programmes and fuel switching. Value for money is key and owners often once involved are supportive of measures but still reluctant to participate.

On occasions we are not able to reach agreement to carry out repair/improvement works we have resorted to the Statutory Notice system that was available within Edinburgh. Due to the current withdrawal of the system we are unable to conclude these projects. The risks of proceeding are too great, particularly with the recovery options open to us for non payment. In addition there is the time and cost of managing projects of this type on behalf of private owners that is a significant drain on resources that should be directed to our own customers. The Tenement (Scotland) Act offers slim hopes of recovery although this has to be directed through the courts. This adds a significant time delay and a further drain on resources.

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

Offering a solution to improve the pre 1919 tenements around energy improvement and leading the process. We have delivered a number of pilot initiatives with Historic Scotland in an attempt to seek practical solutions for listed and conservation properties that have equal benefit to solid wall construction.

<http://www.historic-scotland.gov.uk/refurb-case-study-1.pdf>

We would support any positive steps to encourage owner occupiers to participate in future improvements, particularly around insulation and fuel

switching.

A specific measure that is regulated only to social housing is likely to result in unimproved stock being transferred to the private sector. This potential will drive RSL to dispose of stock and reduce the availability of affordable rented properties to new customers.

**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

The more significant changes are proposals around Universal Credit and the linkage to welfare payments. Our concern is how customer will prioritise their income and expenditure.

We do acknowledge that Fuel Poverty is a significant challenge within our sector. The reduction of energy consumption within properties is therefore key to reducing the percentage of household income which is spent on utility bills.

Our view is that RSL's need to be taking a fabric first approach to improving energy efficiency. We have developed an existing homes energy strategy as well as a sustainable development strategy for Scotland. This influences our investment programmes and the feedback from customers are encouraging. However, our customers are not proactive in seeking advice on energy consumption or seek advice on the cost of living in a home prior to let/sale.

The Association has a number of new-build properties which have a very high level of insulation and high energy efficiency ratings have been achieved. Within these properties tenants are rarely using their heating systems and their energy consumption is low.

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

The standard is focusing on the fabric of the building, with so many variable and often high cost measures necessary; there should be greater emphasis on better use of the energy and education customer/residents in order to make a significant difference to fuel poverty and carbon reductions. Ultimately a home can be improved although the occupant can still choose to use the energy inefficiently.

The standard has suggested a duty on landlords to encourage residents to reduce their energy consumption. We believe this is not sufficient and the standard should be more robust on what is expected of a resident. Similarly, landlords cannot control the actions of their tenants, to imply a duty on landlords requires significant investment on advice services.

We support the suggested benefits although the cost of introducing new energy efficiency measures are likely to result in an increase in the cost of rent charged for a property rather than have a positive impact on a customer's disposable income.

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

Nationally we all need to be mindful of the cost of energy, often tenants take advice from their landlord or leave existing arrangements in place. Our experience within the HEAT (heat and Energy Advice Team) is that many customers are overpaying on their tariff and as a result could save on switching alone. Education on how to operate heating effectively, the ability to control the heating and clarity on the billing are equally important and often result in achieving a greater impact on energy bills than the built form. Taking simple measures at relatively low cost would make an immediate saving on carbon.

**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.**

Elderly and disabled often desire a higher comfort level. Consideration should be given to the running cost of homes specifically designed for these groups to ensure there are proportionate energy bills to income.

We recognise that there are a higher proportion of vulnerable groups within social housing however applying standards to social housing on its own are not likely to achieve the carbon reductions targets.

In terms of equality it seems unfair to pass a burden on to registered social landlords, ultimately unless there is 100% grant open to RSL then the cost of measures will be funded through rents. A private tenant in the neighbouring house would have no obligation.

**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 pensions are index linked and energy is a free market. The gap is widening and there is a likelihood of fuel poverty occurring. Careful consideration of self disconnections is a likely outcome if the cost of rent and energy continues to rise to pay for the proposed measures. Fuel amount should be credited to the utility but not a payment.

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

Clarity around billing and a reduction in various energy tariff options. Compulsory energy monitors that demonstrate the cost of running

appliances. The introduction of new smart controls, allowing energy to think of the building use and set parameters to minimum and maximum use that suit the household composition.

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

Helpful  Unhelpful

We support the use of the established EPC model but have concerns around using modelling solution for baseline data. We feel it is important that real data is captured for each of the house types and this is applied. Our experience with modelling is that the data can be unreliable due to all the measurement factors in rdSAP therefore we need to avoid assumptions as much as possible.

***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

All information on case studies is helpful, the focus should be upon real tasks undertaking and not just modelling. Some form of standard template would assist in receiving feedback on the key outcomes.

Detached homes should be included together with post 2007 homes. It would be wrong to assume that since 2007 all homes are energy efficient. Often the standards of property are not meet due to poor building methods or the appraisal was approved before building standards changed.

Future categories need to be considered and the approach should be linked with the changes in building standards.

**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?**

There should be listed building and conservation properties included, ensuring that hard to treat is not a reason for not investing. It would be appropriate to allow grant or soft loans to assist landlords achieve the additional standard and encourage more innovative ways of working.

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

We support the minimum standard objective in connection with energy efficiency. A focus on bringing all homes up to an agreed SAP standard such as 65 could be implemented over a period of time. The SAP standard should be banded according to the form of construction and fuel source.

The standard for new build should be higher, although the stepped changed approach within Building Standards is the correct measures.

The actual SAP level needs further investigation and agreement. Some exceptions would be needed for some Listed buildings, although Norfolk County Council has published a useful practitioner guide for energy efficiency in Heritage properties.

**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.**

A programme for hard to treat homes should be implemented particularly that this equates for around 30% of the total housing stock. If this is not addressed then this minority is paying a greater share of the burden of through their bills without the opportunity to benefit significantly from the measures installed. We have undertaken works and in our opinion SAP 65 is an achievable target for solid wall homes pre 1919 on the gas network, and adding solar panels can bring the rating to over 70. (Case study available, Pett Projects 2007).

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

Yes  No

The measures are not challenging enough if we are to make Scotland Government targets. Most RSL will have developed an investment plan and the specified improvements are in our view achievable.

Although the addition of items such as solar panels and air source heat pumps are technically possible to many properties, it is unlikely this will ever be possible in mixed tenure property due to jointly owned parts of buildings. Further consideration should be given to mutually owned properties and particularly those within conservation zones or listed buildings as many of the potential measures are currently not permitted.

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

Wall insulation measures, both for cavity and solid wall. Secondary glazing measures as often the windows may be subject to conservation requirements. Introduction of energy monitor, to allow clear and concise information to be presented to the occupants and allow the behaviour changes. Low energy lighting to be installed on retrofit programmes.

**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?**

Reducing heat loss through the building is critical; there is little point of improving components if the performance of the thermal mass is leaking all the heat. A greater emphasis needs to be attributed to air tightness and customer attitude in the use of heating.

Secondary glazing protects the conservation requirements of many parts of the country and ensures that the properties are achieving higher SAP ratings.

Customers need to know the cost of running items, the current arrangements are confusing and there are now simple measurement tools that can be applied to homes at low cost.

Low energy lighting, to reduce electricity demand.

**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.**

We have some concern that customer are now used to the EPC rating. By selecting only the Environmental Impact Rating (EIR) this may create confusion. There is an inherent problem with Energy Performance certificate EIRs and EERs as no allowance is made for the actual energy which is consumed in the property. This would mean that any reduction in carbon is only ever going to be a theoretical one based on an incomplete modelling system.

**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

No comment

**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.**

Over the years we have developed good quality information about various aspects of our housing stock. This has included EPC data for around 70% of our stock. We would support the continuation of EPC data with its established format and accreditations. The level of information which will be required for the proposed standard will require each RSL to retain an energy management model. Through the accreditation of EPC organisations this is open to any organisation to review.

We have concerns regards the number of experienced and qualified Green Deal assessors and the increased level of stock analysis required for the standard to be monitored. The demands on staff through Green Deal are likely to compound the situation. We are preparing staff for undertaking energy assessment services in house. This may be difficult for other RSL's who lack the scale and commitment to reducing energy consumption.

**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 proposed ratings for the 2020 standard are not particularly challenging as most properties which are currently meeting the energy efficiency component of the SHQS will be able to achieve these without any further measures required. It is also unlikely that properties failing to meet SHQS by 2015 will be unlikely to meet a slightly higher standard by 2020. If the 2020 standard is to be regarded as the first step towards the 2050 standard it is likely that more significant progress will be achieved in a shorter timescale. The challenge will be addressing the harder to treat properties that will ultimately cost more to attend.

**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

There is a lower level requirement within the proposed standard and reflects the difficulty in off gas areas. Nevertheless there is a growing range of alternatives that can offer similar benefits to carbon reductions at affordable costs. The issue will be scale and regularity of supplies. Furthermore permissible development should be offered to ease the burden on installers and regenerate this part of industry.

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

All housing needs a sustainable resource, with only two main stream options there should be more initiatives to encourage renewable or greener

solutions. Micro renewable technologies are developing quickly and planning in our view is the biggest barrier to implementation. Our experience is that there is a lack of Local Authority guidelines with policy made up based on localised requests.

**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.**

EPC are established and familiar to professionals and customers.

**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?**

We believe the standards should be individually applied as there are technical solutions for all units; the issue is the funding of the solution. There can be a clear link to rent charge and the energy efficiency of a property. If not individually the resident is not benefiting whilst others are.

**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

This is a practical approach, although we would have concerns that the focus would be on reasons not to do rather than seeking viable solutions. The aggregate of difficult to treat is likely to be high and if all were to improve this would reduce the cost as the market place adjusts to meet demand.

**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 a minimum.

**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

There is a fine balance to be achieved. By setting exemptions this offers opportunities for reasons not to do, when the energy should be around achievements. We accept that there may be challenges particularly around a tenant's refusal to participate. Other exemptions may include ownership issues. RSL's should develop improvement plans with an agreement on how to deal with access and ownership. RSL's should report on exceptions and be held to account, perhaps subject to intervention notices to ensure there is a commitment.

If exemptions are not permitted it is likely that RSLs will seek to dispose of stock into an unregulated sector, home ownership or market rent. This will further reduce the likelihood of these properties ever achieving the energy efficiency standards.

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

For most RSL's the only income is via rents. Any investment and advice programmes will require funding through rents, unless grant assistance is offered. We have concerns that the focus will move to ECO and Green Deal, adding further costs to the resident. This will have a negative impact on fuel poverty targets. The CERT programme and funding proved very popular and a similar grant model would be welcomed.

**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

No. The cost will be borne by the landlord and this will impact significantly on rents. The current offers of grant for measures around boilers and insulation are not sufficient to lighten the financial burden on landlords. Commercial loans and focus on bills not a viable long term solution for a transient rental market.

**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.**

The market place should allow open access and any new jobs would be welcome.

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

We have comprehensive asset management systems (PIMSS) that is used to record stock condition, energy performance and investment decisions.

**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

Yes. Internal cost and valuation. New systems to allow measure to be recorded – Needs lead in time and industry to develop.

Scottish Housing Regulator should continue with a risk based approach to regulation therefore they may not be best placed to monitor the proposed standard into the future. The inputs should be on Local Authority and across local community groups to manage the housing. However there does still need to be a consistent approach take to monitoring and accountability for reporting on the performance of both the social rented and private rented sectors along with private home ownership.

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

Yes  No

Further burdens on RSL have to produce returns and document progress. This has staff time and also impacts on management systems as this is not an area that is commonly measured. EPC remain valid for 10 years, therefore the costs will continue throughout the life of the initiative. Consideration should be given to self assessment.

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

Yes  No

Adopt the same approach as SHQS.

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

Yes  No

RSL have conducted EPC for the last 5 years, this data set could be used as an interim measure to allow the long term measures to be set at a more

realistic level.

**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.**

The proposed Energy Efficiency Standard for Social Housing starts to recognise that fuel poverty impacts upon lower income and older households in a disproportionate manner and programmes of information and assistance should be tailored towards encouraging take up from these groups.

Within our Business plan for 2012/13 we have reaffirmed our commitment by continuing with the upgrading of energy efficiency measures within our stock that are aimed at addressing fuel poverty. This remains a key strategic priority contributing to our existing neighbourhoods are 'neighbourhoods of choice' through developing our approach to place investment.

We developed our original energy strategy in 2010 that aimed at addressing our existing housing stock to help us to improve the overall energy efficiency of homes and to support customers to maximise the potential benefits both financially and in terms of their health and wellbeing.

We would be happy to engage further on our approach and welcome any opportunity to contribute to a meaningful debate.