

## Developing an Energy Efficiency Standard for Social Housing : SSE Response

SSE broadly supports the introduction of an energy efficiency standard for social housing as we believe that this will encourage greater investment in the energy efficiency of social housing and motivate registered social landlords to take full advantage of the funding available under the new Green Deal and ECO framework.

However, we also believe that:

- The new standard should not penalise social housing landlords who have already undertaken significant amounts of energy efficiency work. Therefore the new standard should be closely related to the ambition levels in the SHQS.
- The costs of an ambitious new standard could be borne by landlords, and these costs could be socialised amongst all tenants. Increased costs for social housing tenants may therefore push some into fuel poverty.
- A higher mandatory rating for social housing could lead some registered social landlords to decide to leave homes empty rather than retrofit them. This would leave some homes in an un-rentable condition and would place an unnecessary burden on a system that is already under pressure.

We have outlined our additional views on the proposed standard below:

### Green Deal and ECO

The new Green Deal and ECO energy efficiency schemes starting in 2013 will provide significant support to landlords in installing energy efficiency measures. ECO funding is likely to be particularly attractive to social housing landlords, as many tenants will be eligible for the Affordable Warmth tranche of ECO funding. However, in order to best take advantage of ECO, Local Authorities need to ensure that their energy efficiency plans are targeted towards capturing this funding, by advising on and part-financing large-scale retrofit projects.

A new social housing standard should be compatible with the Green Deal and ECO framework. It is therefore logical that a new standard would use the SAP/ RdSAP methodology which forms the basis of the Green Deal advice report.

### Mixed tenures

Schemes to improve social housing programmes should not be restricted due to the mix of tenures in a building or area. The UHIS programme has been particularly successful in mixed tenure housing as it helped remove barriers for private sector resident participation. A new standard should not place an additional burden on private sector residents that may cause some individuals to struggle. The UHIS and the new Green Deal and ECO schemes should be used as an incentive for these private sector residents to participate in energy efficiency improvements in mixed tenure properties.

### Education and Advice

Education and advice is a vital part of the move towards more energy efficient homes. The full value of energy efficiency improvements is only unlocked when residents receive relevant advice on how to best use energy. Social housing providers – and Local Authorities in particular – have a very important role in terms of providing this education and advice, primarily because they are trusted organisations. Our experience of UHIS shows that Local Authority endorsement of the scheme has encouraged the uptake of measures in the private sector.

More broadly, a coordinated multi-service approach could be developed as part of a local housing strategy to ensure that not just social tenants but different service users can gain



access to thermal efficiency advice. Sharing these services across social housing providers would also provide greater economies of scale in terms of funding.