

4. Please indicate which category best describes your organisation

(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

1. Are the vision and objectives as set out in sections 19 and 20 appropriate for Scotland's Sustainable Housing Strategy? Please answer Yes or No and provide fuller explanation if you wish.

Yes No

ALACHO is content that the vision and objectives set out in sections 19 & 20 are appropriate for Scotland's Sustainable Housing Strategy (SSHS). The objectives reflect the key twin objectives of reducing carbon emissions and alleviating fuel poverty which are likely to be at the heart of most local authority housing asset management strategies.

2. What do you think are the main barriers that prevent home owners and landlords from installing energy efficiency measures?

In most cases the main barriers to installing energy efficiency measures are likely to be related to awareness of the need for such measures and their potential benefits, coupled with availability of resources for up front expenditure (personal *and* state contributions).
In some cases technical difficulties in implementation, for example improving difficult to treat dwellings , or properties off the mains gas network will be significant barriers , although these difficulties may also be considered a function of cost.
Similarly, barriers resulting from the complexities of improving dwellings in flatted accomodation and other buildings under common ownership, where the consent of others must be obtained but can often be withheld, require to be resolved .
Finally, the existence or otherwise of sanctions for non compliance will play a part in whether people choose to implement energy savings measures or not i.e. an absence of sanctions and associated enforcement measures is likely to result in significantly reduced participation rates.

3. Please explain any practical solutions and/or incentives to overcome any barriers you have identified.

There are likely to be a range of practical solutions and incentives to overcoming barriers throughout Scotland, and no doubt these will be identified by individual councils in their responses. It is likely however that any practical solution is likely to involve an effective programme of education and information relating to the nature of the works and the process involved, signposting towards trusted contractors for advice, information and installation, together with a clear statement of the costs and long term benefits, particularly improved comfort levels and estimated fuel savings for consumers. Identification of house types and areas most likely to benefit from energy efficiency measures will also be vital, and councils have a key role to play here.

4. Given Scotland's diverse range of housing, what support is needed to enable people to get energy efficiency measures installed?

A range of contact and support points is likely to be required, including face to face contact with reputable providers of advice and information. This needs to be backed by a nationwide campaign of information and advice supported locally by organisations such as councils, RSLs and CABs, and the use of competent and reliable installers. The reputations of councils as trusted intermediaries is likely to be a significant advantage in the process.

5. (a) What specific issues need to be addressed in respect of improving energy efficiency in rural areas, particularly more remote or island areas?

The consultation document adequately highlights the challenges involved in improving energy efficiency within rural and remote areas. Increased cost is likely to be the main issue here, together with the often difficult to treat nature of the housing stock, often coupled with a need to preserve the aesthetics of traditional construction types and features. There is also the issue of ensuring that utilities companies are required to play their part in improving energy efficiency measures in our remoter areas, even although such locations may not provide the optimum economic return to their business.

5. (b) How should these be addressed?

The elements outlined at Q4 above also apply here, except more so. The case studies currently being undertaken need to be evaluated and a range of treatments identified, together with the likely costs and benefits associated with particular interventions.

6. Taking into account the models and funding sources outlined in section 1.20-1.37, what role might local authorities and other agencies play in bringing about a step change in retrofitting Scotland's housing?

Needless to say, local authorities are likely to play a key role if the hoped for step change in the energy efficiency of Scotland's housing is to be achieved, and the consultation paper correctly identifies the reasons for this (at para 1.33.) Councils have proved adept at responding to successive strategic housing challenges, whether the development of asset management plans to meet the 2015 SHQS, or the production of Local Housing Strategies to assess local housing needs and demands and to set investment priorities for their resolution. Given sufficient resources for planning and implementation, the challenges involved in retrofitting Scotland's housing are amenable to a similar strategic approach. The imperatives of a national retrofit programme are likely to be considerably more complex than UHIS and the other measures that have preceded it. ALACHO believe that, given adequate resources, most local authorities will wish to be at the forefront of developing and implementing strategies to improve energy efficiency across the housing stock in their area. From the (limited) information provided on the funding options set out at para 1.35 ALACHO would be likely to favour option (b). However we would wish to engage in further dialogue with Scottish government and key stakeholders on the relative merits of different options.

7. What role should the Scottish Government play in a National Retrofit Programme?

Clearly the Scottish Government (SG) will have a key role in setting the national strategic framework for the NRP and monitoring progress towards strategic objectives, in supporting local authorities and other agencies involved in implementation, in promoting case studies and evaluation of good practice, and in maximising resources to facilitate delivery of the strategy.

8. What role could the devolution of additional powers play in achieving more retrofit?

It is difficult to comment here without awareness of the nature of additional powers. However anything which enhanced the ability of SG to give Scottish landlords or homeowners additional financial incentives to undertake work would be welcome (eg a cut in VAT for works of repair and maintenance)

9. What further action is needed to achieve the scale of change required to existing homes?

The scale of change required is clearly of significant magnitude and, as noted elsewhere in this response, will require a concerted campaign of information and advice, backed by adequate financial support and incentives and ultimately sanctions for non-compliance.

10. How can we make sure a National Retrofit Programme maximises benefits to all consumers (for example, older people, those from ethnic minorities, those with long term illness or disability)?

Wherever possible the presence of those in the vulnerable groups outlined need to be identified (from existing data sources and from dialogue with their representative groups) and targeted programmes developed, led by trusted intermediaries, to ensure effective engagement and satisfactory outcomes.

11. (a) Should the Scottish Government consider whether a single mandatory condition standard (beyond the tolerable standard) should apply to all properties, irrespective of tenure?

Yes (but as a long term aim subject to housing market and economic conditions)
No

11. (b) If so, how would that be enforced?

With the introduction of a new energy efficiency standard for affordable housing the social sector will be well regulated in terms of energy efficiency. However, given that this sector contains only a minority of Scotland's

housing stock, and that problems of poor energy efficiency and fuel poverty are widely prevalent in the owner occupied and private rented sectors, it is essential that at some point **all tenures** are covered by an appropriate standard for housing condition, and energy efficiency in particular. Enforcement should only be applied when sufficient information, opportunity and financial support has been offered to encourage owner occupiers and private landlords to upgrade where necessary, and subject to favourable housing market and economic conditions. Clearly it would be inadvisable to impose significant burdens on landlords and owners during the worst economic recession since the 1920's. In common with the broad thrust of the consultation, ALACHO envisages that enforcement in the owner occupier sector can best be managed at point of sale whereby, with amendments to the Home Report and EPC procedures as necessary. Within the private rented sector, compliance with new standards may be seen as best enforced by local authorities. However as experience in areas such as landlord registration shows, powers of regulation and enforcement must be accompanied by sufficient resources to be effective in delivering intended outcomes.

12. (a) In box 6 we identify a checklist for maintaining a quality home. Do you agree with our proposed hierarchy of needs?

Yes No

12. (b) If you think anything is missing or in the wrong place please explain your views.

The checklist is a reasonable if basic starting point. It will clearly need adapted for particular circumstances (procedures for those living in flats will be significantly different to those in detached homes for example). Potential sources of reputable advice and information on repairs assessment and effective implementation would also be helpful. The advice on retrofitting appropriate insulation is entirely permissive, perhaps even timid, which appears incongruous in a document designed to emphasise the absolute imperatives of ensuring Scotland's homes are energy efficient.

13. Should local authorities be able to require that owners improve their properties; in the same way they can require that they repair them? For example, could poor energy efficiency be a trigger for a work notice? Please answer Yes or No and provide further explanation if you wish, for example on how this might work.

Yes No

In principle, it is reasonable to consider that at some point energy efficiency standards which have been enshrined in legislation need to be enforceable, and some may ask if not by local authorities then by whom? However, the precise nature and mechanisms of enforcement will need careful consideration and should be implemented only after a period of advice information and encouragement, backed by meaningful financial support,

has elapsed.

The need for enforcement is most likely to emerge in the private rented sector where many of our most vulnerable households are to be found. Given the increasingly important role performed by the PRS in providing accommodation at a time of serious housing shortage the needs of enforcement need to be balanced by a need to retain the presence of landlords in this sector if a poor situation is not to be worsened.

14. Should local authorities have a power to enforce decisions taken by owners under the title deeds, tenement management scheme or by unanimity? For example, should they have explicit powers to pay missing shares of owners who are not paying for communal repair work, in the same way they can for agreed maintenance work? Please answer Yes or No and provide further explanation, if you wish.

Yes No

The comments at 13. above also apply here. Although enforcement should be available as a last resort, and used as such, recalcitrant owners should not be permitted to thwart potentially effective energy efficient common improvement schemes for whole blocks. However, payment of “missing shares “ i.e. the costs associated with owners unwilling to contribute, should not be borne by local tax payers and must be made recoverable from such owners by other means e.g. repayment charges or by attaching burdens to titles compelling debts to repaid with interest on the future sale of the property.

15. Should local authorities be able to automatically issue maintenance orders on any property which has had a work notice? Please provide further explanation if you wish.

Yes No

For local authorities who wish to pursue this route the power should be available, on a permissive basis. However given the costs in time and resources which such interventions often entail, and the precedents it would create in practice, ALACHO would expect this power to be used sparingly by councils.

16. Should the process for using maintenance orders be streamlined, and if so, how? Please answer Yes or No and provide further explanation, if you wish.

Yes No

ALACHO is aware that some councils see the process for implementing MOs as time consuming, cumbersome and bureaucratic, and any streamlining here is certain to be welcomed. As ever, the ability to recover costs from absent or recalcitrant landlords appears to be a key concern, and legislative clarity here would also be appreciated.

17. Should local authorities be able to: a. issue work notices on housing affecting the amenity, and b. require work such as to improve safety and security on properties which are outwith a Housing Renewal area? Please answer Yes or No and provide further explanation if you wish.

Yes No

Our comments at 15 above also apply here.

18. Should local authorities be able to issue repayment charges for work done on commercial properties, in the same way they can for residential premises? Please answer Yes or No and provide further explanation below, if you wish.

Yes No

It is unclear if this question relates to commercial premises linked to housing eg shops on the ground floors of tenements, or to discrete commercial properties. If the former ALACHO believes that common works required by legislation should be recoverable according to the title deed provisions and pursued accordingly, and repayment orders may help do this. The latter situation we believe should be at the discretion of individual councils.

19. What action, if any, do you think the Government should take to make it easier to dismiss and replace property factors?

It is not clear that poor property factors are a significant issue in promoting improvement works, especially relating to energy efficiency, though ALACHO would be happy to see any evidence on this. Where this is an issue a simple majority or minimum 50% of owners should be sufficient to remove (although Title Deeds may have different provisions, allowing landlords to retain factoring responsibilities where as little as one property remains in their ownership) Building unanimous or even majority consent is likely to be a bigger issue in common blocks, though enlightened and proactive factors can play a key role in generating this consensus.

20. What action can be taken to raise the importance placed by owners and tenants on the energy efficiency of their properties?

Our comments throughout this response, on the importance of good quality information and advice on the benefits of investing in energy efficiency measures, also apply here. Tenants in the social sector are likely to be well served by their landlords. In the private sector, the introduction of Tenant Information Packs provides an opportunity to ensure tenants are empowered to ask questions of their landlords as to the energy efficiency of their homes and any plans their landlord has for improvement under the various schemes available. In relation to owners, the "carrot and stick" approach alluded to above is most likely to pay dividends, with the incentives proposed under the national retrofit programme likely to be of particular relevance in this area.

21. Should the Scottish Government introduce minimum energy efficiency standards for private sector housing?

This question has largely been covered in our answers to several questions above to which ALACHO's response is *yes, in principle*. The imposition of standards to only that minority of Scotland's housing stock which constitutes the social rented sector would essentially be pointless. As also highlighted above, enforcement of even minimum standards is an altogether different proposition, which if attempted without sufficient resourcing would be equally ineffective.

22. How could we amend EPCs to make them a more useful tool for influencing behaviour change to improve energy efficiency?

ALACHO notes and welcomes the changes already proposed to the EPC processes and the need, post September 2012, to include a recommendations report containing advice on cost effective measures. We also note the research proposed into improving the efficacy of EPCs, including potential additional amendments to further improve consumer awareness of energy efficiency measures and their potential benefits, with the intention of driving further energy efficiency behavioural change. We are happy to await proposals emerging from the outcomes of this research. Ultimately, although essentially technical in their assessment, the aim of EPCs must be to highlight to consumers in plain terms the measures they might take to improve energy efficiency in their homes and the benefits likely to accrue to them as a result.

23. Are there other key principles that we ought to consider when looking at the possible introduction of regulations?

ALACHO is content that the three principles identified form a sound basis to inform the deliberations of the working group being set up to look at regulation. Naturally we will be happy to contribute to the work of this group if invited to do so.

24 How could regulation be used to support the uptake of incentives?

Regulation should be used as the backstop in the event that incentives fail to produce intended outcomes. As the document points out, the very awareness of forthcoming regulation, if widely and clearly communicated, can itself increase the uptake of incentives. It is clearly better that behavioural or cultural change is achieved voluntarily following an appreciation of the merits of making such change. However regulation clearly has a role to play when voluntary action, even when supported by incentives, fails to achieve the desired result.

25. In section 2.68 we identify design options for the standard. Do you have any views on the options set out in that report? Are there other options that we should be considering?

ALACHO believes that the four options presented are not mutually exclusive, and clear overlaps can be identified between them. On balance we favour regulation on an approach based on Option 3, which would give sufficient flexibility to take account of wide variation in house construction type throughout Scotland. However, comparability with the SHQS would be desirable to allow tenure comparison and progress monitoring to be achieved.

26. Do you agree that any regulations for private sector housing ought to reflect the energy efficiency capacity of the property and/or location, as is proposed for the social sector?

Yes No

27. If you agree with Q26, should houses of the same type in the social and private sectors be expected to meet the same standard?

Yes No

28. Are there other specific issues we need to consider in introducing regulation on the energy efficiency of the home for particular groups of people, for example older people, those with disabilities, people from minority ethnic communities?

The emphasis must be on the property itself, as people move house on a more or less frequent basis. The needs of particular groups can best be managed via the design of incentives and support mechanisms to enable them to participate in, and benefit from, domestic energy efficiency improvements.

29. Should we consider additional trigger points to point of sale or rental? If so, what?

Yes No

Although the impact of regulation may only be evident at the point of sale or rental, the promotion of awareness and education on the benefits of energy efficiency improvements, and of the availability of incentives, should be a continuous process, thereby potentially increasing take up between point of sale and rental events, as well as potentially avoiding such events becoming critical for owners and landlords who may not have planned for expenditure at that time. Owners and landlords should be encouraged to invest in improvement measures at other times; for example, when significant repairs or improvements requiring council permission are being undertaken, and the benefits of carrying out energy efficient improvements at that point rather than wait for sale or re-let should be emphasised. In

particular the potential financial advantage of carrying out energy efficient improvements at the same time as other work, thereby avoiding the double cost of scaffold and/or other costly elements, should be emphasised.

30. Should rollout of any regulation across the owner occupied and PRS sectors be phased or all at once? If you think that rollout should be phased how do you think this should be done?

Yes Phased over time. No

ALACHO would favour a phasing in of regulation on the basis of a clearly flagged requirement to comply with an agreed minimum standard by a particular date, with a long stop date by which every property would be expected to comply with an agreed higher standard, applicable to that particular property type and/or location.

31. What other issues around enforcement do we need to think about when considering how different approaches to regulation might work?

ALACHO accepts that some policy issues are sufficiently serious to merit an enforcement component, and that the social and environmental consequences of fuel poverty and carbon emissions come into this category. Thus, our concerns are not about enforcement per se (although legitimate issues of cost related feasibility, and the diminution of individual property rights in favour of collective benefits may be articulated) but about the costs associated with this and the capacity of local authorities to cope if, as seems likely, the burden of enforcement falls on them to deliver. Introducing enforcement measures which people come to believe have little or no consequence is clearly futile. Unless the intention is to properly resource enforcement it should not be introduced.

32. In sections 2.76-2.79 we suggest that one way of regulating would be to issue sanctions.

(a) Do you think that sanctions on owners should be used to enforce regulations?

Yes No

(b) Should owners be able to pass the sanction or obligation on to buyers?

Yes No

Regarding (a) It seems to us that legislation and regulation without sanctions is ultimately toothless. If government deems it necessary to legislate to reduce carbon emissions and fuel poverty and despite the availability of a range of incentives, including financial assistance, a significant number of home owners choose not to comply, there would seem little option but to impose sanctions to achieve desired outcomes. Regarding question (b) as with any other aspect of a house sale, sellers should be able to pass on obligations to buyers on the basis of clear

contractual obligations as part of sale agreements, together with requisite time scales compliance with would then itself become the subject of enforcement with of course the full knowledge of the new purchaser.

33. The Scottish Government does not intend to regulate before 2015. The working group will consider what options for timing of any regulation might be appropriate, but, given all the points set out in sections 2.80-2.81, from when do you think it might be appropriate to apply regulations?

ALACHO believes the Scottish Government is right to be cautious about the speed with which regulation might be introduced. It is wise to allow for further discussion on timescales within the proposed working group which will consider this issue, and to take into account not only progress with the various initiatives and programmes which are about to get underway, but also the health of the economy and domestic property market, which will play a crucial part in determining participation rates in home energy efficiency improvement schemes. ALACHO is content that firm timescales should only be set following these deliberations, and as and when appropriate and deliverable, and would be happy to contribute to discussions in this area.

34. (a) In Sections 3.11-3.13 we describe the range of legislative and policy levers that we believe are available to help us transform the financial market such that it values warm, high quality, low carbon homes. Do you agree that this is the full range of levers?

Yes No

34. (b) Can you suggest any other ways to help transform the market for more energy efficient, sustainable homes?

The range of levers described at sections 3.1-3.13 seems accurate enough but the consultation is correct in pointing out that on their own they may not be enough to ensure that relative advantages in energy efficiency between different properties are captured in the valuation process. We are content that RICS are probably the organisation best place to advise on how this domestic property market transformation might best be effected. We note RICS have made a start on this, but true market transformation will only come about by consumers realising the value of energy efficient homes and acting accordingly when investing in their own properties, and when buying new homes.

35. What changes would be required to current survey and lending practice to enable mortgage lenders to take account of the income from new technology or savings on energy bills?

Our response to Q34 above applies here. RICS are best place to advise on how the financial benefits of energy efficiency measures might best be

reflected in mortgage lending practices.

36. Section 3.15 lists a range of challenges that may prevent the benefits of a more sustainable, energy efficient home being fully recognised in its value. What further challenges, if any, need to be addressed?

The challenges highlighted in section 3.15 are both comprehensive and accurate, and likely to affect mortgage lender attitudes to valuing energy efficiency improvements. Some will be due to a lack of familiarity with the benefits of energy efficiency and may change as awareness grows. It is also true however, that given the recent trauma of market failures, generated in large part by cavalier lending practices, and the significant losses incurred as a result, mortgage lenders will be reluctant to embrace anything they perceive as adding to lending risk until the market recovers.

37. (a) Sections 3.16-3.22 set out the action that Scottish Government is currently developing to encourage greater recognition of the value of sustainable homes. Do you agree that this action is appropriate?

Yes No

37. (b) What further action is needed to influence consumers and the market?

ALACHO is broadly content that the range of actions outlined in sections 3.16-3.22 of the document should be implemented and evaluated before further actions are specified.

38. What steps can we take to ensure that we design and develop sustainable neighbourhoods?

The consultation is correct in acknowledging the neighbourhood dimension of sustainability, and the advice given within the document, together with the references and case studies cited within sections 4.1 - 4.8, are helpful to those pursuing the goal of developing sustainable neighbourhoods. The evaluation of new initiatives, followed by the dissemination of good practice on "what works" and the promotion of regular discussion fora on this issue will also be vital components in helping achieve this objective. ALACHO is aware that some councils have developed their own "sustainability checklist" or similar document to guide the design of sustainable neighbourhoods and no doubt these will be highlighted in individual responses to this consultation.

39. Section 4.10 sets out the main challenges to address in taking forward our aim of new build transformation. What further challenges, if any, need to be addressed?

The issues and objectives are well set out in Section 4.10, but will indeed be challenging to achieve, particularly in the current economic climate. Moreover, the experience of the recent Highland Housing Expo suggests that convincing consumers of the merits of low energy homes particularly those of unusual or innovative design, is likely to be a difficult task.

40. What action is needed to increase the capacity for developing and bringing to market innovative methods of construction?

We know that markets generally react to demand, and suppliers are only likely to commit fully to innovative construction methods when they are convinced there will be a return on their investment. In the short term therefore, there is likely to be a requirement for financial assistance (subsidy) to increase capacity for developing and bringing to market new methods of construction.

41. What further changes to the operation of the Government's affordable housing supply programme would help to enable it to champion greener construction methods and technologies in the medium term?

Some councils, and many RSLs, believe that the significant reductions in grant subsidy rates will militate against the introduction of new technologies for house construction as social housing developers struggle to do more than provide basic units with the finance available. ALACHO is of course aware that the current AHSP programme offers some opportunities for the testing of greener construction methods and technologies, including the £10million contained in the recently announced Greener Homes Innovation scheme, and the higher subsidy rates available for building greener homes. We are happy to work with Scottish Government to monitor the impact and outputs from the AHSP and to consider whether further changes are necessary in due course to enhance the development of greener construction methods.

42. What further action is needed to influence the construction industry to make greater use of innovative methods to deliver greener new homes?

Our response to Q40 above is also relevant here. The construction industry will react best to perceived consumer demand. Until this is generated it is likely that financial assistance and subsidy will be necessary to encourage innovation, with the prospect of greater market share for those prepared to take a risk as "early adopters".

43. (a) Has Chapter 5 of this consultation identified the key challenges to ensuring Scottish companies have the skills to take advantage of the opportunities expected to be on offer?

Yes No

43. (b) If not, What other challenges are there?

Comments

44. What further action is needed to ensure there is appropriate investment in skills and training to meet these opportunities?

To the lay person, it may seem as if the plethora of training agencies and providers with a locus in the greener homes agenda is somewhat disparate, or even potentially lacking in direction and co-ordination. Scottish government is best placed to assess whether skills and development training is as focused and co-ordinated as it should be if the challenging objectives set out in the consultation document are to be met.

45. How can the construction industry be made more aware of the potential funding and support for skills and training development opportunities and engage effectively with those providing training to ensure that it meets their current and future needs?

By ensuring that appropriate channels of communication between government, the industry, and the training sector are clearly established, well understood and utilised. Given the importance attached to this agenda, there may well be a co-ordinating role for government in ensuring that this occurs, and that subsequent outputs and outcomes are assessed.

46. How do we ensure that skills and training opportunities are provided on an equitable basis to all groups in society?

By conducting an audit of the skills and training opportunities available (or likely to become available), assessed against the composition of the *potential* workforce and its skills compared with the composition of the *current* workforce, and by setting out an action plan with policies and proposals to address any gaps identified.

47. Apart from training and skills opportunities are there any other issues that should be addressed to make sure employment in construction and other industries becomes more representative?

It is difficult to comment here in the absence of detailed information on current patterns of employment.

48. Please describe any specific difficulties relating to skills and training that apply to those in remote and island areas and your view on how these may be addressed.

ALACHO believes that this question is best addressed by those in rural and island areas. However, given the priority attached to improving domestic energy efficiency in remote and island areas due to the poor performance of many dwellings in these areas, and given the often lower than average employment rates in remoter areas it would seem logical that special efforts should be made to recruit and train local people to do the necessary work.