

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 checked="" 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

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

Castle Rock Edinvar agrees that Scotland should have energy efficiency homes that are warm, high quality and low carbon. We support the view that a step change is necessary in order to achieve the ambitious Government targets.

Below is our summary of the key themes

Financial Transformation

We support offering incentives to those who have made a conscious effort to reduce their consumption and reliance on the National Grid through discounted taxation initiatives similar to Feed in Tariffs. We support rewarding positive behaviour and would object to further penalties for failures as often the availability of credit or technical requirements are the significant factors.

A New Build Market Transformation

We would question the impact of enhanced building standards for new build as the key issues are with existing building stock. We would support changes to the valuation process and rent setting process to reflect the enhanced standard allowing developers and owners to financially gain from their initial investment.

If RSL's alone are to meet higher standards then this should be supported by grant funding.

A National Retrofit Programme

Existing housing requires significant investment if it is to reach either modern building standards or carbon reduction targets. The success will be dependent on the technical options as well as the cash available. We would support a standard across all tenures based on EPC's.

Minimum Standards

We believe there is a case for minimum standards in all publicly supported housing. In other sectors, standards should be improved through incentives such as tax incentives.

Skills and Training

We would support a greater emphasis on energy awareness and a greater focus on education on the cost of energy as well as the use of system is a more cost effective means of reducing energy. The use of smart metering should be incentivised and with this a support mechanism for those who are vulnerable to understand the consequences. We would support any initiatives to re-skill and train staff as well as create new employment

opportunities. Skills courses should be specifically tailored to meet the retrofit and new build investment and tax breaks should be offered to participating employers.

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

Mainly cost and agreement. Castle Rock Edinvar has many locations with mixed tenure, in order to deliver successful outcomes we require full co-operation with owners and other landlords. Sourcing the owner is difficult and within tenements our experience in seeking agreement is often long and protracted without any guarantee that works will commence.

Our stock profile has 23% of tenement stock that dates back to pre1919 and a further 3% hard to treat properties. Around 60% of our homes have been built since 1992 with various methods of construction utilised. Timber kit and traditional forms are dominant. There is however a range of challenges in improving As a result the challenge to improve energy efficiency standards is greater. The need for capital to pay for upfront costs present difficulties.

Other issues likely to cause barriers include

- low priority given to energy issues by many consumers,
- the lack of reliable advice at the point of installation and a focus on sales,
- the range of energy and technical options open to consumers is too great with very few independent advice hubs,

For retrofit there is the added disruption of works within the household, particularly for harder to treat measures that are likely to disturb decoration and potentially lead to decant of existing home/tenant to facilitate works.

Whilst the introduction of ECO and Green Deal are welcome the scale of activity set out in the details of the Green Deal / ECO proposals is not sufficient to meet ambitious carbon reduction targets or fuel poverty goals. In particular, there is projected to be a major reduction in the rate of key low cost insulation measures such as loft insulation. First Green Deal is very much based on the premise that financial considerations are the major barrier to uptake. Second, the new policy framework made design choices that have been unprecedented. Third the proposals for ECO imply a radical transition from low cost measures to high cost measures. Finally, the proposals are projected to make only a limited contribution to the alleviation of fuel poverty.

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

Improved the information and advice at the point of rent or purchase. The use of the EPC information should be better used.

Our experience in working with owners/other landlords has proven high risk, with no statutory means of recovering costs. In addition the cost in advice

and project management time co-ordinating interests is an additional pressure on our resources and therefore this need to be fully understood and accounted for when executing programmes. Local Authorities have these powers and are reluctant to use.

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

A trusted trader/ accreditation scheme allowing independent advice and support.

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

Off gas will always be more challenging although there is now a growing sustainable marketplace for cost effective alternatives. Further developments of supply chains are essential if these are to remain viable alternatives.

5. (b) How should these be addressed?

Low finance loans together with some grant assistance would make the options more attractive. Supply chains need to be improved for both supplies of product and labour.

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?

We support offering incentives to those who have made a conscious effort to reduce their consumption and reliance on the National Grid through discounted taxation initiatives similar to Feed in Tariffs. We support rewarding positive behaviour and would object to further penalties for failures as often the availability of credit or technical requirements are the significant factors.

Local authorities need to be more active in discharging their strategic housing role and take the lead in driving up energy efficiency standards through retrofitting. Benefits in joint procurement would enable projects to be delivered on a larger scale with the potential for increasing investment and making use of resources. This should include taking account of the potential funding through the Green Deal and Energy Company Obligation (ECO).

We view independent advice and support a key driver and the use of our own HEAT (Heat Energy Advice Team) offers non-capital investment solutions, these are focused on the fuel poverty targets. With the emphasis on property solutions this is an area that requires further investigation.

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

An annual return to assess compliance. Scottish Government should also consider the interpretation of standards as well as the measures that are to be assessed.

The Government should ensure that any National Retrofit Programme promotes 'whole house' and 'whole tenement' solutions. Local Authorities need to be explicit around permissible energy efficiency measures, particularly with regards areas of listed and conservation interest.

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

Consider a lower council tax banding of energy efficient homes. It would be appropriate for homes that have a lower carbon output and smaller energy demands from the national grid to pay less.

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

A simplified planning process with a clear policy guideline for permissible development around renewable initiatives. Historic Scotland and Local Authority also need to publish how conservation and listed building are to be treated.

There is a number of planning regulation issues which need to be addressed. Whilst the natural heritage needs to be protected the current status is not conducive to innovation. Working with Historic Scotland, we have identified solutions to some of the barriers within conservation areas around sensitive double / triple glazed window treatments and solid wall insulation. These have produced a meaningful contribution to reducing energy use and costs. See link to website below.

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

The level of knowledge and understanding by the general public of the positive benefits from improved energy efficiency of homes is poor. Publicising and communicating new programmes needs to be more extensive and effective in future. The use of a lead community organisation to assist with advice would be beneficial. VAT exemptions for work around meeting the standard should be considered to reduce the additional financial burden.

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)?

Existing housing requires significant investment if it is to reach either modern building standards or carbon reduction targets. The success will be

dependent on the technical options as well as the cash available. We would support a standard across all tenures based on EPC's.

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 No

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

We believe there is a case for minimum standards in all publicly supported housing. In other sectors, standards should be improved through incentives such as tax incentives. Building standards are continually being reviewed and is sufficient to improve the energy standard. The focus should be on existing homes.

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.

Checklists are a useful tool and the development of a standard would be appropriate to ensure the information is captured nationally. Any checklist should ensure the use of plain English, avoiding jargon and be for the benefit of all tenures. Considerations should be given to capturing other useful data, including condition of roof and common areas.

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

Our experience is that whilst the Council has the powers (including repairs) there is no means of forcing the Councils to utilise these. This has resulted in a higher repair bill as often with no agreements in place to allow repairs or energy measures to be implemented. A clear policy on permissible development is required to minimise neighbour complaints.

Our ability to deliver the SHQS in full is often compromised by the lack of willingness of private owners / landlords to commit to what is classified as improvements. While the first priority is to ensure repairs are undertaken to maintain wind and watertight properties, we are experiencing growing difficulties achieving even this standard over the recent past as the

Edinburgh Council statutory notice system has been curtailed. This is a growing problem therefore the need for enforcement powers will be necessary and as a minimum, available as a last resort to ensure necessary works are carried out. Consideration should be given to allowing nominated community based organisations enforcement powers as part of an effective ongoing system.

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

As above, with the power must come an obligation to implement. Whilst Edinburgh City problems are well documented, the issue was effective management controls.

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

Some information on the use of the power would be useful.

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

We would support a national standard with a consistent approach adopted.

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

Notices should be available as a last resort. The focus should be on demonstrating the benefits and success of measures to encourage engagement.

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

This is welcome as often there are commercial units within mixed tenure blocks. Businesses can make more of a contribution to carbon reduction as they are more likely to use more energy.

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

The changes within the Property Factoring sector in our view are sufficient. The issue tends to be areas/blocks with no factoring arrangement in place. If Government wish to be involved in this area then it would be beneficial to have all common areas with an appointed approved factor.

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

Education around costs and controls are essential. The obligation to explain EPC's (and their outcomes) within the Home Reports at sale should be mandatory.

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

No. The market condition will ensure that the costs of living in homes are reflected in either the rent or value of the stock. Influencing surveyors to recognise the cost of living in a home is essential both in terms of setting Local Market Housing Allowance as well as the home report valuation. If there were tax incentives to encourage investment in energy efficiency this would have a positive impact on the private sector.

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

A linkage to the value of the home. The annual running cost should be a focus and a linked to green deal measures should be added to cost effective measures. As indicated earlier a band reduction on Council Tax would be welcome.

Benchmarking of energy use and property classification can be included; this would provide an immediate awareness of any gaps that exist between the expected / desired efficiency level and current actual level. If a comparison of energy costs and carbon emissions, both with and without whatever recommendations stated on the EPC can also be provided, this additional information would provide a very clear picture upon which the resident can take informed decisions on improvements needed.

A linkage to approved installers with fixed costs and grant information should be appended to the EPC to encourage engagement.

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

We would not support more regulation; the focus should be on encouraging positive behaviour and rewarding that.

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

Regulation would be a negative step, with more emphasis often on the reasons for not doing. The interpretation of standards and measures can get over complex and this becomes a target focus rather than making a positive difference.

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?

The focus should be based on outcomes, i.e. that a property meets a particular energy efficient level rather than specifying specific type of work and which would therefore respect the need for flexibility allowing different treatments to different property types.

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

We do not support the move to make the private sector compulsory. If the preference is to move the private sector then the rules should be consistent.

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

No comment.

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?

Older (retirement) people and people on lower incomes experience fuel poverty in disproportionate ways, programmes of support must be tailored to recognise their specific needs including extra support and varied communication approaches as appropriate. The impact of welfare reform

and the introduction of a universal credit should link to the cost of living in a home, similar to the rule for under occupation.

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

Yes No

EPC are compulsory for sale and rent, whilst there are some concerns over the accuracy of data captured the EPC standard is now embedded. We would suggest that there should be a mandatory investment period for the cost effective measures to be carried out. If this was void led then for any rentals the rent could be amended to ensure that the investment was recoverable. Similarly the Green Deal could be implemented in the same manner for sales.

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 No

None

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

The cost of enforcement needs to be factored into the financing of programmes including options for cost recovery. Potential low interest green loans would be an added benefit.

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

The use of incentives and support is a preferable approach to sanctions. To determine whether the desired outcome will be better met by allowing consumer choice to influence the market and positive behaviour. The use of sanctions is likely to have a negative impact on stimulating the house sales and building markets.

The property market and sales are not currently in a position to support sanctions, unless the valuation process took account of the obligations the

likelihood is that this would have a negative impact on house values.

Consideration should be given to the reduction in stamp duty if energy measures are implemented within a defined period.

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?

Concern over the focus on regulation. The data collection and management time required needs to balance the outcome. Self regulation in this area would be welcome, with an emphasis on benchmarking.

34. (a) In Section 3.4 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?

Green Deal and ECO are still to be rolled out and we would suggest that we review the uptake and then consider changes if deemed necessary.

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?

Surveyors will require further guidance on the valuation of homes if we are to positively encourage energy efficiency measures. In addition the lending practice should be improved to provide better information of measures and comparative efficiency including reduced ongoing household costs as a result of measures being undertaken when considering mortgage availability.

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?

Many households currently have negative equity and this is likely to continue within a depressed housing market. The market will need to adjust values and this will inevitably mean people not feeling able or prepared to invest in improved energy efficiency measures. Green deal may encourage some uptake although our view is that this is unlikely to be an attractive proposition compared to the current grant system.

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?

Link sustainable homes to value and promote the cost of living in a home, similar to the MPG (miles per gallon) approach on new cars.

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

Ensuring good quality, affordable and accessible housing remain critical to a balanced community. Improving the condition of homes remains a priority as the majority of new lets are on existing homes. SHQS goes some way to addressing this across the RSL sector although the availability of finance will result in a greater pressure on rents.

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?

Overall the supply of affordable housing for people at or below average incomes in particular remains a key agenda. The market within the private sector has reduced by over 50% in the last five years; this has put a greater pressure on developing RSL's at a time when investment on existing stock to meet SHQS has been a priority. New build is essential and these should be built to the very highest standard in the knowledge that this will have the most beneficial impact in the long term. Access to affordable funding including subsidy and private finance at the right balance is crucial to be able to deliver this. Without the right level of affordable funding the pressure will be on existing tenant's rents or there will be a complete cessation of development of affordable homes.

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

More innovation. The industry has a good track record in innovation and many expo events have demonstrated what is achievable. This bodes well with new build but the key focus in the existing stock requires more incentives and engagement with the industry to make these measures affordable. The skills gap in traditional building is also evident with a lack of knowledge in the sustainable solutions available.

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?

To build “greener” home using modern methods of construction often requires a higher initial capital outlay to be offset by lower lifecycle costs and much reduced cost in use. The subsidy system should be further incentivised to support reduced whole life costs as well as recognising that programmes to be effective require 3-5 year periods to execute effectively. Both additional subsidy to support lower energy solutions and certainty for programming over longer periods would assist.

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

Developers needs to know the financial return on their investment and assurances around how the market will view “non traditional” methods. This will remain a key driver in changing attitudes.

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?

There are too few companies equipped to deliver training and outcomes that are affordable. The construction sector tends to stick to what it knows best, this has stifled innovation. The role of trade bodies has seen a reduction in skills and apprentices, as work becomes more competitive and costly.

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

We would support a greater emphasis on energy awareness and a greater focus on education on the cost of energy as well as the use of system is a more cost effective means of reducing energy. The use of smart metering should be incentivised. Support mechanism for those who are vulnerable to understand the consequences of their actions and that of the energy consumption. We would support any initiatives to re-skill and train staff as well as create new employment opportunities. Skills courses should be specifically tailored to meet the retrofit and new build investment and tax breaks should be offered to participating employers.

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?

We have developed and worked on various employment programmes that aim to provide tailored pre-employment preparation activities within real work conditions. We have embedded community benefit clauses into the procurement practice and requirement of contracts this has enabled skills and training development opportunities to be available for those who would

otherwise struggle to access the labour market.

Our own self delivery model on maintenance has allowed around 30 young people to benefit from employment/placement in the last 3 years, many securing permanent employment. More incentive should be available to employers to extend their role within their communities.

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

Market condition will ensure that those who are good at delivery and advice will prevail regardless of what group delivers. The key messages need to be consistent and a form of accreditation and qualification is imperative.

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

Supply chain and localised support is essential. With newer technology there are too few skilled operatives and suppliers who can deliver services, including material.

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.

No comment