

4. Please indicate which category best describes your organisation

(Tick one only)

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

CONSULTATION QUESTIONS

BACKGROUND

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

Comments

CHAPTER 1 – A NATIONAL RETROFIT PROGRAMME

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

Common ownership in mixed tenure properties is a significant problem. This can be particularly challenging in non-trad properties where the cost of retrofit is generally significantly higher.

Whilst this is managed Fife Council has also found that a lack of access to a proportion of tenant's homes is a big factor in being unable to complete SHQS works to many properties. This results in delays and is resource intense to tackle.

It is agreed that, as suggested, hassle of undertaking works and apathy are barriers. Often undertaking energy efficiency improvements can be very costly with a low 'return' in the form of savings in fuel cost.

It is considered that many households don't know 'who to trust' in relation to energy efficiency improvements and there is a need for good quality, independent advice with such services being well publicised.

Cost cannot be ignored as barrier for both those on low incomes (inability to afford) but also more general apathy from those who may be (more) able to pay. For example, it was found with the Home Insulation Scheme that many owners were unwilling to pay the modest sum to have loft or cavity wall insulation installed whereas the free Universal Home Insulation Scheme has been applied much more successfully. This is not a new phenomenon. Even getting households to participate with (often generous) grants is difficult.

Particularly for older properties e.g. Victorian tenements / pre 1919 housing there may be concerns with how modern materials / approaches would be applied to affect their character.

Fife Council has participated in a recent solid wall insulation pilot with the EST offering interest free loans alongside CERT or CESP. The results of this study may also provide some valuable insight into householders' attitude to paying for measures using loan finance as will be the case with the Green Deal.

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

A combination of incentives, grants and, potentially, regulation (although see caveat in section 2) need to be used to overcome potential barriers.

Whilst plans for a NRP are welcomed including continuation of local area based schemes work is needed to define this. Whilst UHIS has worked well for what are generally low cost and easily installed measures of loft and cavity wall insulation it is considered that much needs to be done if, under a NRP, we are moving to a larger base of potential measures. Improvements need to be made to link all potential measures and the advice, installation route(s) and funding available.

Is there a need for a practical guide for householders of all potential retrofit measures that could be applied? This could be based on the main Scottish property types and cover the main insulation, heating and other associated measures that could be undertaken within different property types linking this to further advice, grants and assistance schemes available. This should be linked to the independent advice and assistance available (perhaps through the ESSac) and ultimately to Green Deal routes of provision.

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

Linked to above answer at 3 – Whilst the benefits of the one stop shop of the ESSac is supported and should be maintained is there a need to consider how effective this is when moving towards more complex and costly measures such as solid wall insulation. This does link to how the Green Deal will be rolled out and the role of Green Deal advisors.

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

This question would be bettered answered by LAs with a larger rural and or island make up.

5. (b) How should these be addressed?

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?

Fife Council agrees that as the strategic local authority it has a key role to play in ensuring the NRP is applied in its area for the benefit of Fife

households and in support of our actions to eradicate fuel poverty and reduce carbon emissions.

Fife Council has been involved with the delivery of UHIS in its area which we believe has been very successful, albeit UHIS has focussed on relatively cheap and easily installed measures (with often little upheaval for householders – save for loft clearances) offered at no cost to householders. This is likely to change in a NRP which would offer a wider range of measures and whole house solutions and link to Green Deal / ECO finance and grants. The scale and shift from UHIS to a NRP, in relation to the numbers of homes to be tackled and measures to be offered, is considered massive therefore. In seeking to deliver the NRP and in agreeing its role the Council must therefore take account of the costs and risks of a new (and as yet unknown) delivery model (particularly if this links to Green Deal delivery models) and compare this with potential benefit that could result for Fife and Fife households from how it performs this role. We believe that delivery must consider how this is resourced over the very long-term (10-20 years) in order for this to be effective.

As far as the options outlined in paragraph 1.35 although there are merits to each option Fife Council would be supportive of option b) whereby the Scottish Government negotiated with utilities to access energy company obligation monies into a single national pot. This would only be if: utilities are supportive of this approach and it could be demonstrated that the value of funding for carbon savings was as high as it would be in other options. This would remove the need for local negotiation as is being done rather disjointedly for CESP allowing concentration on delivery. Based on guidance of the measures to be supported through this single national pot local authorities could then draw up delivery plans based on stock profile and stock condition data in the area.

As mentioned above key to spending such a pot however and delivering a NRP is the delivery method which will depend on how the Green Deal / ECO will be delivered. Whilst the work of the SFT and EST in this regard has been useful Fife Council is concerned about how / where this is being considered nationally by LAs all of whom will need to undertake a degree of option appraisal and risk assessment (x 32) on the Green Deal. LAs have been advised that there is a need for their involvement in terms of their 'trusted brand' and potential PWLB funding as junior debt to 'kick start' loans but that there is a need for a critical scale of households covered by a scheme to ensure take up reaches a level that supports a business case in terms of set up cost for a LA promoted offer and as such LAs cannot 'go it alone'.

It is difficult therefore at the moment to provide an answer as to the role that Fife Council could play without greater clarity on the intentions of individual LAs across Scotland and potential groupings. The Scottish Government needs to do more to broker these discussions. Fife Council would be supportive of a regional delivery model with groupings of local authorities to provide economies of scale and balance the scale of programme required under the NRP the resources to deliver and resource this particularly focusing on very long-term delivery.

It should also be borne in mind that whatever role that is taken by local authorities it will be as an 'intermediary' (whether through advice 'only' or a local authority backed offer) between contractors and households and the importance of consumer protection and quality in installation will be important to the integrity of the scheme therefore. Fife Council does not wish to promote any such scheme that does not afford this protection.

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

As above Fife Council would be supportive of Government facilitating negotiation of utility funding under the energy company obligations if this proved to allow ECO to be maximised.

We believe that Government has in role in co-ordinating and joining up strategy across the NRP and other energy efficiency streams. It should continue, as with UHIS, to monitor and evaluate a NRP at regional and LA level to ensure delivery in all parts of Scotland. Support for research and development on common Scottish house types and methods to improve these energy efficiency would also be beneficial.

In addition in relation to the Green Deal what role will the Scottish Government take in Scotland in training / accreditation of contractors to appropriately retrofit properties?

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

Don't feel qualified to comment.

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

As mentioned a combination of incentives, grants and potentially regulation need to be used to encourage those who have not engaged up to this point.

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)?

An equalities impact assessment would need to be undertaken on any proposed delivery method to assess this impact.

Efforts need to be made to ensure that advice and information is accessible in many formats and languages to ensure it is accessed by such households. Monitoring of the demographic and ethnic make up of households receiving measures should also be undertaken to assess if

particular groups are not benefiting from the NRP to allow remedial action.

Based on fuel poverty statistics in the SHCS the above highlighted groups are likely to be at higher risk of fuel poverty and therefore probably eligible for affordable warmth. Fife Council has successfully developed an approach to allow direct referrals to the Energy Assistance Package from a range of agencies working directly with such vulnerable households and perhaps more can be done at a national level to join up the promotion of the NRP to such groups between Government agencies.

CHAPTER 2 – THE ROLE OF STANDARDS

General for chapter 2 on standards – In principal Fife Council considers that a new regulatory standard for energy efficiency in the private sector would be desirable. It is considered that leaving this to voluntary action and incentives will not produce the step change required in relation to reducing carbon emissions in Scotland and meeting its carbon reduction targets. The Council is aware that this decision may be very unpopular amongst some households and a difficult one for politicians to take.

Of great concern to the Council is the enforcement role that is likely to become a Council responsibility. It is vital that any approach to enforcement is logical, practical, legal and can be resourced by Councils in terms of staff and finance.

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?

The tolerable standard is woefully inadequate in relation to energy efficiency it would be therefore be desirable to improve however the Tolerable Standard is a condemnatory standard and a house that falls below it is not acceptable as living accommodation. Assessors must bear this firmly in mind when considering whether each house meets each of the elements or not and also when prioritising individual houses for action. It covers the elements which are fundamental to its functioning as a home with criteria addressing public health, comfort and safety.

In order to meet the Tolerable Standard a house must for example have satisfactory provision for lighting, ventilation and heating. It focuses more on the building however and doesn't extend to the specific heating system for example. The 2006 Act amended the Tolerable Standard to take account of a recommendation of the Housing Improvement Task Force. In order to meet the Tolerable Standard a house must now also have satisfactory thermal insulation. This relates to the capacity of a house to retain heat only and does not extend to energy efficiency issues such as the performance of the heating system and its interaction with the building fabric etc. In basic terms the assessment is around whether or not the house is capable of

having roof insulation and whether or not there is any.

There is a duty on the Local Authority (LA) to ensure that all Below Tolerable Standard (BTS) houses are closed, demolished or brought up to the Tolerable Standard. The legislation does not restrict the duty to any specific tenure of housing. It requires the LA to act within a period that is reasonable in all the circumstances. It does not define "reasonable" or specify "all the circumstances" that the LA should consider. In determining reasonable period the LA has to have regard to the alternative housing likely to be available for anyone who may need to move because of a LAs action. Each LA strategy for dealing with BTS Housing should be included in its Local Housing Strategy. In this regard it is up to each LA to determine how it is going to tackle its BTS housing. This should be based on matters such as local need and should target the worst conditions eg serious disrepair/ disrepair (not wind and water tight etc). In Fife, a Private Sector House Condition Survey has highlighted that there needs to be a major financial investment to ensure all properties are in a good state of repair.

Whilst with the bigger picture 2020 and 2050 targets in mind it is desirable to have enforcement powers in place, are we really saying that in these times of austerity when owners are finding difficulties in getting money to carry out necessary repairs to their buildings and there are issues with housing shortages and homelessness that this matter would be given a greater priority over serious disrepair/ repair conditions. At the time the 2006 Act came into force there was the expectation of a National Lending Unit to help in this regard. This has never come to pass and consequently there continues to be issues in respect to owners paying for even the basic repairs. In addition at this time are we really saying that a house that is only provided with minimum roof insulation is not acceptable as living accommodation?

There is an argument that at this time enforcement is not the appropriate way forward for such improvements. There may be scope in looking at point of sale (ie via the Home Report) or rental. In respect to sale we would not want to adversely affect the Housing Market in the current climate. The 'Repairing Standard' requires privately rented houses to be wind and watertight and fit for human habitation. It applies to all privately rented housing. It would require to be amended to take account of energy efficiency improvements. In respect to rental property it might be appropriate for a let property to meet an appropriate standard which is linked into the EPC for example. This could be linked to a system of low interest loans or a graduated grant scheme. It is considered that a single mandatory condition standard beyond the Tolerable Standard is a laudable aim however for reasons described above consideration has to be given to what the sanctions would be if it's not complied with and the resources required to achieve this aim.

In some instances there needs to be a change in culture where for example owners can afford to pay for repairs/improvements but where they see the provision of a new kitchen/ bathroom or a new conservatory as being of higher priority. This can be tackled in part by education, however particularly in respect to owner occupied property the enforcement of such may have

impacts on human rights.

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 check list could refer more specifically to prevention of condensation and make the link between ventilation, insulation and lifestyle etc. There needs to be more public awareness of condensation and the reasons for it. It is considered that item (3) could be reworded to make it more directive. It is written quite passively at the moment.

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

As far as Council, or other RSL, properties of mixed tenure are concerned such a power could be useful, however applying this power would be one thing, enforcing and paying for it another. This question is connected to the response at item 11 above and whether or not enforcement is appropriate at this time. There are significant resources issues involved ie both staff and financial. There would therefore need to be a strong link to grants and assistance available through Green Deal / ECO in the NRP particularly for higher cost measures such as solid wall insulation.

Local authorities have lots of powers that are not often used because of cost and we don't often have the staff or financial resources to take action on current repairing issues. This could be exacerbated by adding energy efficiency works unless additional resources can be confidently applied from the NRP.

Although we would start from the perspective that it would be better to get voluntary agreement from all householders one could see instances where this power may be useful to require, for example, a minority of owners in a multi-storey tower block, to have improvement work done for the benefit of all tenants and owners in the block where there was an ECO offer available through the NRP. That said there may still be difficulties if ECO funding did not fully cover all of and owners cost. Where would this difference be made up from? If the Notices were defaulted on- would the Council have powers to go in and do the works and then recharge the owners as they currently do with issues of serious disrepair for example? The Council would need to come up with costs upfront. Is this the best use of Councils resources at the present time given the issues of serious disrepair and the costs involved

both for residents to pay for the required repairs and for the Council to decide to pay the costs upfront (and then recharge the owners)- in the event that Notices are defaulted upon.

A selective approach to the application of such a power, based on availability of funding, could also be open to criticism from owners 'missing out'.

Care would also have to be taken to consider how requiring owners to make energy efficiency improvements to their properties would sit with pre-existing repair issues where these existed. There would be no point for example in installing solid wall insulation (backed by funding from ECO) where a roof needs urgent repair but this repair has not been enforced due to lack of finance. There may be merit in linking in such improvements however where the Council is serving a Works Notice in respect to substandard issues such as serious disrepair.

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 Title Deeds of a property are a private civil matter and as such it is generally not considered appropriate for the Council to enforce them. In addition the main point of the new Housing Act is to refocus responsibility on owners for the maintenance and repair of their properties- this was the reason for removing a statutory right to grant for example in respect to enforcement notices. The effective resolution of common repair issues in communal blocks for example requires that individual owners take responsibility from the first moment they buy their flat and thereafter that they work together with the other owners to carry out repairs as required and also planned maintenance work to prevent problems in the future. The resource requirements on the Council should the LA become responsible for this side of things as well would be very significant indeed. There needs to be more work carried out in respect to being able to secure this improvement work through the Tenements (Scotland) Act eg sinking funds, maintenance accounts and for more assistance, advice and guidance to be prepared for owners to assist them to achieve the improvements without Local Authority intervention.

Powers for the Councils to pay missing shares of owners who are not paying for communal repairs work would be good in theory - however it would need to be properly resourced and as stated above there are already significant resources required in respect to serious disrepair. There must also be a suitable cost recovery system in place. This also seems to go against the culture shift that we all need to keep working on i.e. it is the owners that are responsible for the upkeep and maintenance of their homes

and not the Council! - if they buy flats etc they are also responsible for common repairs as well.

As an aside the example provided at 2.20 of repayment charges is deemed not to work and Fife Council is seeking to implement an alternative approach using standard securities in mixed tenure properties it is seeking to improve to meet the Scottish Housing Quality Standard.

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

Yes in theory but due to the scale of costs of comprehensively addressing serious disrepair across all private sector stock it would need to be properly resourced. See also Q16 response.

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

Yes - the current procedures are very time consuming and resource intensive and as so LAs are really only considering their practical use on a reactive basis and subject to availability of resources. It is considered that use of Maintenance Orders should also be linked to the take up by owners of factoring services. The inaction of and non payment by landlords for example should also be clearly linked to and form part of the assessment of the Fit and Proper Test in respect to Landlords.

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

Again the answer is similar to the above answers at 13 and 14. It would be potentially useful to have this power but again on the assumption that funding was available under the NRP.

In respect to item (b) - further information would be required regarding the extent of the provisions and the cross over / linkages with the existing Tolerable Standard, emergency provisions under the Civic Government (Scotland) Act 1982 and also powers under the Building Standards and Safety remit. This would all need regularising and stream lining. Again any action should be clearly linked to and used as part of the assessment of the Fit and Proper Test in respect to Landlords.

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 would be welcomed as commercial properties are an additional problem in tenement improvement for example.

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

Whilst this issue may be important in and of itself it is not clear what benefit / link to the energy efficiency improvement agenda this has. We would have thought there is sufficient provision for owners to dismiss factors. Is the bigger issue not in relation to a lack of property factors in many other tenements?

In order to allow the bedding in of the Property Factors (Scotland) Act 2011 which comes into force on the 1st October 2010 it is considered that a combination of Options 2 and 3 would be appropriate at this time.

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

The text around the benefit and use of EPCs as a tool is questioned. Evidence for example from a survey of Fife landlords found that tenants in the PRS do not routinely request to see EPCs from landlords or take much notice of them. It is considered that this is very likely to be the case across all tenures. In the same survey landlords were also asked if they felt that the EPC regime would make properties with better energy efficiency more desirable in the future amongst tenants. The majority of landlords thought that EPCs would not make property more desirable, 64%, 219 of landlords compared to 36%, 124 landlords who thought it would.

Is there a basic issue of supply and demand of the basic for need for accommodation in Scotland? It is only where people may be able to exercise choice will fine tuning of EPCs, safety certificates, quality of stock, fittings etc come into its own. For many households this is a choice that is difficult to exercise.

It is therefore suggested that work is still needed to increase awareness of EPCs amongst potential tenants and owners to bring about a change of attitude and behaviour.

It is agreed that the cost of fuel will be a key driver for many households over time. Marketing and promotion of the issue must continue but this is a very challenging area however based on our previous experience of trying to promote behavioural change and advice. Should we consider the

inclusion of energy efficiency within school curriculum or learning to ensure that in future years adults have a better understanding of the importance to them and the global environment of change and how they can manage energy?

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

As mentioned in the introduction to chapter 2 in principal this would be desirable. There is an argument to suggest that standards should be left to the market to determine however this is unlikely to affect a quick enough step change on carbon emissions. Within the private rented sector for example, where the worst standards exist, there is currently no incentive to improve the energy efficiency of properties as landlords do not pay full bills and generally demand for lettable properties is high regardless of efficiency (the so called split incentive).

Bearing in mind the comments under questions 13 – 18 about powers being useful in certain circumstances when backed by funding under the NRP Five Council's concern is how such a standard would be enforced and how Councils would resource this.

Such a standard, if applied, would need to be applied incrementally over time backed by advice, grants, installation routes etc to allow a step change and lead in time for individual households.

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

The current full EPC does include recommendations on what households can 'do today' i.e. behaviour change. Whilst it may be useful to research this given other evidence (quoted at question 20) of the lack of importance / use of EPCs, the effectiveness of this is questioned. Although we do need to keep highlighting EPCs as a tool for generating improvements, elements such as Smart meters may be more effective.

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

These seem to cover the main principles.

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

The obvious answer is that regulation, if implemented, could drive demand for improvements in advance of a standard being brought into place although this would depend on the potential method of enforcement.

It is suggested that an approach would need to be applied whereby a national promotional campaign was undertaken to highlight the standard

coming into force but linking this to advice, information and grants etc to allow households time to work to meet this standard. A date would have to be chosen far enough into the future to give households time but too far that it can be forgotten as a distant problem. This will be a tricky balance.

It is also suggest that clarity on the delivery method for the NRP and the role of stakeholders within that needs to be defined before undertaking this as without out this householders will not be able to deliver.

As an aside reference is made to Council Tax discounts at paragraph 2.67. Fife Council is keen to stress that this discount is cost neutral to the Council with the discount effectively being paid though the cost of the measure through an arrangement with the installer backed by CERT from a utility. The legal requirement for local authorities to have a Council Tax discount scheme in place needs to be considered within the context of CERT finishing and being replaced by Green Deal / ECO to ensure that there is no financial burden or penalty on local authorities.

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?

Caveating the following with concerns about a standard generally (see introduction to section) - part of the consideration of these 4 options will be being able to measure the impact and success of the regulation. There is merit therefore, linking to the SHCS, to use the SHQS which is currently measured across all tenures.

On balance however Fife Council considers that the EPC regime could be used to apply a new standard which could be increased incrementally over time backed by advice, grants, installation routes etc to allow a lead in time for individual owners or landlords as mentioned above. Owners will be more likely to apply the most cost effective measures towards meeting a standard in any event so a measures based approach (e.g. specifying minimum level of loft insulation) would not generally be necessary. This would also be consistent with the potential developing approach for the social rented sector out for consultation and may allow, for example, the development of cases studies of improvements to particular 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

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

Whilst the answer is yes there is a case to provide a staged implementation of a standard over a longer timescale given that there has not been a standard required in the private sector to date.

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?

Evidence from the SHCS suggests that these types of households are more likely to be living in fuel poverty and may be on lower incomes or reliant on benefits. If the ECO / affordable warmth regime are effective then it is likely that these groups should benefit from additional financial assistance in relation to energy efficiency improvements through this route. Unless it is clear that financial assistance is available to some, and clear who this would be, in the marketing of any standard (and often CESP, CERT schemes have been rather confusing in relation to 'able to pay' and 'priority' categories) then the concern would be for many households to be fearful of such regulation and perhaps avoid contact or cooperation to avoid a bill.

Question 10 refers to additional elements that could be considered to ensure that these households are identified and assisted to meet such a regulatory standard.

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

Yes No

Whilst the point regarding the market and the pace of change is well made, Fife Council has real concerns about this proposal. It does not seem realistic or workable (nor perhaps legally enforceable) that the Scottish Government could restrict the sale or relet of housing on this basis - and what impact would this potentially have on housing need / homelessness etc. Houses are bought and sold all the time with major problems that don't force improvement.

That said it would seem sensible to require that the standard is applied when major structural repairs, or extensions are undertaken (again linked to advice, grants etc) although care would need to be taken to better explain this given what happened in England with the 'conservatory tax'.

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

Bearing in mind the general point about concerns with a standard if this was applied Fife Council considers that a phased roll out of the standard should

be applied on the basis of a appropriate 'base' EPC value (based on location / fuel type etc) which could be increased incrementally. This should be set far enough in the future to allow households to lead up to this and should also be backed by advice and assistance.

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

This is a debate more about 'hearts and minds' and how local and national government collectively convince owners to affect change. As pointed out in the consultation document standards and aspirations do change over time with examples such as drink driving, wearing of seat belts and the smoking ban. These examples public policy changes however are smaller scale behavioural and attitudinal changes to socially acceptable norms with low or minimal cost to individuals or society rather than the more complex and costly consideration of energy efficiency improvements required within the home. Is the same possible for an energy inefficient home that this becomes socially unacceptable?

A similar example of an enforceable standard is the tolerable standard. This has been with us for around 40 years but it hasn't fully eradicated BTS, partly because the standard has increased over time and partly the pragmatic approach to dealing with numbers. As previously indicated therefore Fife Council believes that further enforcement powers should not be brought in that cannot, or will not be used which essentially comes down to resources.

We would agree that the main issues to be considered around enforcement would include cost, capacity, processes and the suitability of existing structures. Other issues could include the availability of funding for grants, incentives etc, potential for impact on the housing market, the lack of a National Lending Unit, the availability or otherwise of suitable financial products and providers, impacts on personal circumstances and any human rights issues, decisions as to what the thresholds would be, appeals processes, cost recovery and recharge mechanisms and timescales, possible amendments to Planning/ Building Control regimes, the role of the Private Rented Housing Panel.

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

As pointed out at question 29 there are currently no sanctions for selling or buying homes so we have a general issue with this. Fife Council is not convinced that sanctions would be legally possible and would be subject to challenge. We also believe that sanctions would not send the positive

message that a new energy efficiency standard and energy efficiency improvements generally are about. This notwithstanding as far as question (b) if there is a standard and sanctions were imposed it may be of benefit to allow flexibility in relation to home sale and purchase to allow obligations to pass where this is mutually agreed. This is based on an assumption that a lower energy efficiency standard may result in a lower value for a property – i.e. a potential saving and benefit that can be applied towards any improvements. This is clearly not generally the case presently however and as discussed in Chapter 3 - Financial Market Transformation.

Alternatively why should owners be able to pass this on? If there is a sanction then it applies to someone (the owner). The key question - again – is how any sanction will be enforced or policed.

It is considered that if it is decided to enact enforcement legislation then there really must be a sanction in order to instil a degree of compulsion. There is merit to promoting a sustainable energy efficiency agenda in relation to the owner occupier housing stock but at the present time it is set against a dire financial climate at the core of which are issues such as mortgage finances, not wanting to further suppress the housing market etc. It is considered that there should be more education and incentives in this regard. There is scope to improve existing legislation relating to decisions by owners in tenements to make it easier for them to secure collective improvements. There may be scope to reassess the legislation relating to the Private Rented Sector eg by setting a standard linked to the EPC. It is considered however that this should be backed up with appropriate resources/ structures for any enforcement and also a system of incentives for landlords. If a decision is taken to go down the enforcement route then inaction, non payment by landlords etc should be linked to assessment under the Fit and Proper Test in terms of Landlord Registration.

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?

Bearing in mind the concerns outlined regarding a standard and its enforcement this is particularly driven by the carbon savings set in the Climate Change (Scotland) Act 2009 (42% by 2020 and 80 by 2050). If this is to be reached then a step change in energy efficiency improvements is needed. This would suggest flagging the potential for regulation before 2015 and setting an interim target for 2018 or a minimum EPC level with a further increase perhaps every 5-10 years beyond this.

CHAPTER 3 – FINANCIAL MARKET TRANSFORMATION

General for chapter 3 – Fife Council welcomes the intention to consider this area of work in conjunction with the sector. We believe a proper approach to assessing energy efficiency within property valuations will be an important factor in persuading owners to make implement changes and make their homes more energy efficient by placing a higher value on these elements. Fife Council believes that for this to be

effective this area needs to be considered at a UK wide level given that much of the sector has UK wide representation albeit often with Scottish branches (e.g. RICS and RICS Scotland) and as such discussion should include DECC and other relevant UK professional bodies.

34. (a) In Section 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?

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?

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?

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?

There is a need for continued education, information and publicity on this matter to continue to change attitudes and mindsets overtime. The examples provided are therefore welcomed.

As mentioned elsewhere would also including this within school curriculum educate the 'next generation' of the importance of energy efficiency?

CHAPTER 4 – NEW BUILD MARKET TRANSFORMATION

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

There is a need to consider all aspects of creating new built environments in

order to have an overarching sustainable strategy or vision. The concept and design of what sustainable neighbourhoods are needs to be properly defined and broken down into manageable and tangible issues that can be addressed by local authorities and developers. This involves considering transport, greenspace, biodiversity, economic development, planning, building standards, waste management, using resources, energy generation, construction practices, development auditing and material sourcing issues together from the onset and carrying the sustainable design principles throughout the lifetime of a project from early design stages, through planning and build stages, to post occupation. This requires multi-skilled personnel to be involved in a project from pre-application stage right through to approval in order to cover such issues at the onset. Fife Council has developed a [sustainability checklist document](#) to this effect which has been used since 2010 to influence and shape the sustainability of major developments. It is Fife Council policy for developers to supply a sustainability statement which sets out how their development conforms to the principles and elements set out in the sustainability checklist and can meet at least a silver standard.

The Scottish Government introduced more sustainable standards into the National Building Standards (Section 7) in 2011 using a similar approach to Fife's sustainability checklist by introducing a range of standards on how developers can deliver more sustainable building forms. A similar approach could be applied to national transportation, planning, greenspace, biodiversity, waste management, resource usage, construction practice and procurement standards which could be set at a National Level. This would provide a level playing field across Council areas and would give greater certainty to the development industry rather than each authority trying to implement its own standards as is the case at present.

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?

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

There are examples of new house building systems that have been brought forward by the market. These are also being used by some RSLs across Scotland. In Fife for example Kingdom Housing Association and the Council partnered on delivery of the Housing Innovation Showcase which competed in May 2012 and delivered 10 different house systems and renewable technologies. Fife Housing Association is also in process (August 2012) of completing and seeking passive house accreditation for four houses built using the Beattie Passive Build System. Kingdom HA also completed the first socially rented passive house in Pittenweem.

To continue to encourage this activity it is considered that continuing with the recommendations of the Sullivan towards net zero carbon homes for new build housing by 2016 – 2017 must be maintained. As has been

pointed out it would be short-sighted to relax this standard only to have to upgrade these properties in the future.

The actions in Chapter 3 to consider how sustainability is valued within property transactions will also be important in this regard. The Fife Housing Innovation Showcase project will be monitoring the performance of the various house building systems over time and it would be beneficial to publicise positive results from this for all stakeholders through a number of means.

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?

Whilst as shown above schemes are being developed to a higher energy efficiency standard including renewables it is a bit disingenuous to suggest that the AHSP includes incentives for Councils and RSLs when the grant for RSL has been cut by around £30k per unit to a £42k 3 person equivalent with £46k available if developing to the 'silver' standard for energy efficiency. The challenge within this environment is making units stack up financially regardless of standard. With continuing shortfalls of affordable housing the delivery of the programme, in Fife at least, has become about maximising the number of units for the subsidy available with the higher energy efficiency standard more or less being discounted for 'new projects in the Strategic Local Programme. More funding needs to be made available for delivery of new affordable housing and, if it is an ambition, this should be require that this housing is built to a higher standard of energy efficiency.

On the wider point consideration could be given to a large scale procurement of modern house building systems that meet a higher energy efficiency standard across LAs and RSLs with building programmes. To a certain extent this type of approach, testing partnering in construction, was tried under the Larach project with limited success due to small scale of the Larach group so lessons could be learnt from this. One of the reasons for doing this however would be to provide evidence of cost saving on units based on long-term potential work at a scale large enough to provide an incentive to the market. This is something the Scottish Government should test. A survey of organisations building new affordable housing to ascertain the scale of future house building plans not in detailed planning or delivery stage may provide information about the potential here.

Assuming the appetite across LAs and RSLs was there and the scale big enough could the Scottish Futures Trust for example run a national procurement for LAs and RSLs to establish suppliers of house build systems meeting certain energy performance criteria which organisations could call off for new build projects? The complexity of this approach would be in providing a 'simple' tender that had enough variation to meet the range of housing circumstances across Scotland. This could be run based on a requirement to be able to provide a suite of common agreed property

types giving a cost per unit or per square metre. Care would also have to be taken to allow existing local supply chains for participating organisations on other elements (e.g. windows / kitchens etc) to be integrated into properties once built as well as meeting any local design standards in terms of planning. There may be much to learn from the Fife Housing Innovation Showcase which demonstrated that modern build systems could be 'mainstreamed' to fit with the 'standard' affordable housing products of Kingdom HA.

On potential spanner to this kind of approach is land ownership and control of the delivery of construction, as much land for new affordable housing comes from developer contributions through affordable housing policies with delivery linked to the developer of the overall site.

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

CHAPTER 5 – SKILLS & TRAINING

General for chapter 5 – This is an important issue for Fife Council and we therefore welcome consideration of this area within the consultation document. The Council would support consultation with the construction sector and energy efficiency sectors to assess the type of support that it requires to take advantage of future opportunities for both new build and retrofit.

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?

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

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?

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

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?

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.