

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"/>

1. A global organisation, the Royal Institution of Chartered Surveyors (RICS) is the principal body representing professionals employed in the land, property and construction sectors.
2. In Scotland, the Institution represents over 11,000 members comprising chartered surveyors (MRICS or FRICS), Associate surveyors (AssocRICS), trainees and students.
3. Our members practise in sixteen land, property and construction markets and are employed in private practice, central and local government, public agencies, academic institutions, business organisations and non-governmental organisations. It is our members that provide us with expertise and advice.
4. Accordingly, we contacted our members with expertise in this field and have summarised emerging messages in the appropriate question answer boxes. Please note, in some cases where there was no consensus, or where individual cases/examples were provided, we have not commented. These individuals will be submitting responses separately.
5. RICS Scotland fully supports the drive for a more efficient housing stock in order to reduce energy and thereby improve security of energy supply, and has some general viewpoints on this consultation, and these have been outlined below.
6. RICS Scotland would welcome the opportunity to work with the Scottish Government in taking the strategy forward

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

Given timescales for action, the biggest area of 'unsustainability' needs to be targeted – that being older housing stock.

New homes are high performing, so rather than seeking ever higher performance from new homes, a contribution per dwelling should be made to enable existing stock to be upgraded.

Simple measures in an older property will have a much greater impact than the diminishing returns available from maintaining a focus on new homes.

On a separate note, we would like to clarify that surveyors reflect the market, they do not set it.

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

Owners: Potential costs (initial outlay – irrespective of money saved over

long periods); lack of finance; feasibility and availability of installation (particular with older stock); planning permission.

Landlords: Same as above. In addition, increasing rent to cover cost of investment in energy efficiency measures – thus deterring potential tenants.

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

Provision of information and advice that is wide-reaching and relevant to the reader, informative and persuasive. It should aim to shift perspectives of owners to longer term investment over short term gain, and that there is a correlation between “common good” and individual benefit in sustainable property.

Cutting VAT on the labour element of all home repair, maintenance and improvement work to 5%.

It is often suggested to link EPC rating and council tax – however, this should factor in improvement costs already invested and the feasibility of different buildings being able to attain a higher rating.

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

There will be properties (solid wall, hard to treat) where the cost of upgrading will be disproportionate, i.e. they are a ‘bad’ G rating, and even when most of the affordable measures have been installed it will not meet the standard proposed. This could lead to the withdrawal of properties from the social housing and private markets.

Furthermore, there are probably many properties which are listed or in a conservation area, where it will be difficult to reach the targets without the necessary permissions.

It may be feasible to consider allowing landlords - who install all the economically feasible measures on a particular property - to be deemed to have met the targets, or to be given some dispensation in achieving a lower rating, or additional time for further improvements.

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

In an era of significant demographic change and an emphasis on the role of local communities in shaping their future, rural housing is a priority issue. In many areas, it is likely that local communities will increasingly have decision-making responsibilities for their neighbourhoods and many will have to balance their desire to conserve the countryside with the need to

provide housing for local people.

A key tool in persuading communities (and land owners) to consider new, sustainable developments

5. (b) How should these be addressed?

Provision of information detailing to individuals living, and those involved in new developments, in rural areas the area's climate to maximise any home energy improvement installation potential.

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?

No comment

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

Considering the high proportion of private ownership, the Scottish Government should engage with representatives of the private sector.

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

No comment

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

Any targets for lowering emissions should be reviewed regularly to ensure maximum impact. This process must take into account advances in technology and increase the percentage reduction as it becomes viable and cost effective.

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)?

Ensure complete distribution and circulation of information across society

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?

There is scope to initiate a minimum energy efficiency standard for all housing tenures.

However, due consideration could be given to the raising of standards in the private rented sector (PRS) in particular. In this instance it will be a complex task to implement as a mandatory standard could affect individuals finance's should they be forced to carry out works to the property when that wasn't the intention at the time of the purchase

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.

No comment

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

The Government should consider how local authorities would pinpoint low efficiency housing – especially privately owned property – and how this information would be obtained and kept/stored.

Would the owners have to produce evidence of improvement after a set period of time, or plans to improve etc?

This issue is particularly salient when considering detached private dwellings

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

Owners should, and often do, take responsibility in the upkeep of their property. At present, it may be fair to say that “upkeep” does not include energy efficient measures as part of dwelling repairs and maintenance

For this reason, provision of information and incentives could entice owners

to consider energy efficiency within any dwelling repairs and maintenance project

Enforcement should only be considered as a last resort.

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

No comment

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

No comment

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

We consider sufficient rights already exist.

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

If the commercial property is adjoined to a residential dwelling, repayment charges on work done could be a viable option. However, there may be issues with the practicalities of recovering the costs.

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

The Property Factors (Scotland) Act 2011 means factors need to register, in addition to a new Code of Conduct which will require them to meet certain standards of service or face a "robust" complaints procedure.

It may be worth waiting to see outcomes before further action is taken.

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

Current supply and demand is not sustainably orientated. As such, achieving a more sustainably housing supply will, in the short term, may come through regulation rather than demand and supply side behaviour.

The younger generation(s) are generally more environmentally-aware, and as such it is likely that supply and demand will shift to more a sustainable orientation in the longer term

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

The private sector makes up a high proportion of the housing stock in Scotland. As such, any energy reduction/climate change targets would be hard to attain without some sort of policy toward private housing.

That said, any standards would have to be realistic, attainable and not too costly to reach – but these will vary across different tenures. Furthermore, there should be adequate notice period and lead in time for any minimum standard introduction.

If this proposal did go ahead, it is likely that there would be a positive impact on the job market (construction), and therefore the Scottish economy. However, efforts should be made to ensure that the minimum standards do not deter investment in lower efficiency housing or lead to smaller private sector landlords selling up, instead of investing in, their properties.

There is opportunity to use Energy Efficiency Standard for Social Housing (EEESH) as a best-practice example to showcase the benefits and improvement possibilities to the private sector.

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

No comment

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

Other consumer products regulations have demonstrated that good regulation for the right purpose will influence and ultimately change consumer behaviour and preferences.

It may be considered excessive, but some individuals may interpret regulation as Government as infringement of choice

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

No comment

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?

No further comment to add

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

There is potential for the social sector to be exemplary to the private sector in this field.

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

As much as is fiscally and feasibly possible.

The private sector is larger than the social sector, and thus has a greater diversity of housing conditions. Conditions of the private property should therefore be considered, with a balance between level of investment and possible outcomes.

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 people (poorer) and low income families

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

Yes No

No comment

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

Phased would be the better option, in addition to sufficient lead-in time.

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

No comment

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

Any policy on this issue should ensure that potential selling is not hindered by passing the obligation for future improvement. The requirement for improvement must be clearly stated by the seller.

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?

After appropriate lead in time – which should offer information and advice on a society-wide scale.

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?

No Comment.

Awaiting review of RICS guidance on valuing sustainability in 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?

No comment

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?

No further challenges to add

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?

Customers looking to purchase a property will place their own recognition on the value of more sustainable home.

The market is reflected by demand, not supply

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

To have impact, any proposed steps need to be a requirement rather than an aspiration. However, regulation would need to be achieved with great care to avoid negative consequential impact. For example, good design needs to be pragmatic, doing the simple things well rather than pursuing a design approach that is motivated by style.

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?

No comment

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

Manufacturing is currently expensive due to lack of large scale needs (on an economics of scale basis).

As a result, large developers are moving back to traditional methods of construction

Traditional methods can still achieve high standards, but this is expensive due to lack of skilled workers

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?

Current supply and demand is not low carbon orientated. As such, achieving a low carbon economy will, in the short term, come through regulation rather than demand and supply side behaviour.

The younger generation(s) are generally more environmentally-aware, and as such it is likely that supply and demand will shift to more a sustainable orientation in the longer term. As they move up the career ladder, is it likely that unsustainable practices will face rejection.

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

Ultimately, specific low carbon solutions will only be successful if they are desired by homeowners.

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 is still a huge skills gap in the provision and integration of new renewables technology, much of which is so new that it has not yet been "tried" and "tested".

Rigorous standards, accreditation and verification are necessary for consumer confidence.

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

The Government will need to provide information and advice, and engage with experts. This latter point will enable experts in the construction field to flag up existing skill set areas that are lacking, and highlight future practices that will require a higher level of training to create a sufficient work force

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?

No comment

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

No comment

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?

No comment

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