# Consultation on proposals for a Heat in Buildings Bill 28 November 2023 – 8 March 2024





# Tips for holding your own discussion

**Community Discussion**: Attending a community discussion is one way that people in Scotland can engage with the Consultation. It is an opportunity to learn more about the consultation, and to ask questions about key policy proposals it covers.

A community discussion should be open to anyone who would like to attend. It does not need to follow an exact format, but we recommend the following session structure and question guide be used to facilitate the discussion.

#### Session structure (65 minutes total)

#### 1.Session introduction (10-15 minutes)

Each session should start with a brief presentation, providing a summary of what the consultation covers, and any key information people need to understand the consultation questions. This includes an overview of what is being proposed in the Heat in Buildings Bill, technical information about clean heat and energy efficiency, and information about why clean heat and energy efficiency are important.

The slides below will help with this overview.

#### 2.Discussion (45 minutes)

We propose allowing approximately 45 minutes for discussion, guided by the questions on slide 7. These are derived from questions in the consultation, but are meant to be general enough to stimulate wide discussion and allow people to voice their opinions and ask questions. In the case of larger groups, it may be worth facilitating discussion by splitting the room into several smaller groups.

**Note**: the intention of this discussion is not to understand how many participants are for/against proposals, or to delve into more technical aspects of the consultation. If people are keen to respond to the consultation in more detail – including on monitoring and enforcement, public sector buildings, and amendments to existing legislation (not covered here) – they should be directed to the consultation.

#### 3.Session close (5 minutes)

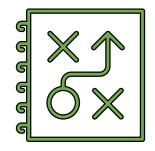
Draw the session to a close by thanking everyone for attending, and by directing them to the consultation, should they wish to formally respond to it. This is also a good opportunity to highlight the resources available at <u>Home Energy Scotland</u>.

## Heat in Buildings Bill: The challenge

**The Challenge**: Like many other countries, Scotland has a legal target to reach 'net zero' greenhouse gas emissions. The way we heat our homes, workplaces and other buildings is the third-largest cause of greenhouse gas emissions in Scotland. This is because the "polluting heating systems" that most of us use – such as gas and oil boilers – produce emissions when we use them to heat our buildings or when we need hot water.

**The need to legislate**: Although some households and businesses are already making the change, the current rate of switching to clean heating is far short of what is needed to reach our climate change targets. In simple terms, at the current pace it would take several hundred years to reach net zero, so we must take action to support more demand for clean heating systems.

**The proposals:** For domestic properties, these are in two main parts – prohibiting the use of polluting heating systems, and making sure that homes meet a reasonable minimum energy efficiency standard.





**The consultation**: Sets out and seeks your views on proposals to make new laws around energy efficiency in homes, and changes to the heating systems used in homes and places of work. We know that meeting these requirements is a big task, particularly during a cost of living crisis that shows no sign of abating in the near term.

Our proposals take this into account – they are designed to apply where it is affordable, fair and feasible, and to make sure that these changes which we're asking home and business owners to make are consistent with the Scottish Government's commitment to a Just Transition.

### The proposals: Setting a 'Heat in Buildings' Standard for heating

#### Heating

We are proposing that **polluting heating systems will be prohibited by the end of 2045**. This will cover all main heating systems (that you rely on to provide the main heating in your home), but not secondary or backup systems that you might use to support this, especially in emergency situations when your main heating system might not be working.

This includes systems like gas boilers, oil boilers and LPG systems. To meet our proposed standard, these polluting heating systems will need to be replaced with a **clean heating** solution – such as an air or ground source heat pump, electric storage heaters or boilers, or through a connection to a heat network.

It will be for individuals to choose the system best suited to their circumstances. The prohibition will come into effect for all properties not affected by an earlier trigger or backstop date after 2045.

**Early action –** we are asking for views on an approach which would require some people to make this change earlier.

After you **buy a new home or property** you will need to make the change within a defined "grace period". We are seeking views on how long that period should be - between 2 - 5 years.

There were over 100,000 house sales in Scotland in 2022-23, and as part of this process sellers must produce an EPC. This shows the main heating system(s) used in the home.

So prospective **buyers** can see whether the property meets the new standard and may wish to take this into account in any offer they go on to make.

Potential **sellers** may also consider investing in measures to meet the standard to make their property more attractive to buyers, potentially achieving a higher sale price.

For some properties, joining a **heat network** will be the best solution to using clean heat. These are localised systems which generate heat and use a network of pipes to supply it to nearby homes and other buildings.

When, and if, a heat network becomes available to a homeowner, you will be asked to either join that network, or change to another form of clean heating of your choice. There will be no obligation to join the network, but it will often be the most affordable and least disruptive solution.



#### **Energy Efficiency**

Improved energy efficiency in your home means it needs less energy to heat it to a comfortable temperature and to provide hot water. Using less energy can help households potentially reduce their bills and help to cut greenhouse gas emissions. A good standard of energy efficiency also helps the performance of all clean heating systems, such as heat pumps.

We are asking for views on two ways to achieve this - by installing a list of fabric measures from a specified list, or making sure your home reaches a level of fabric energy efficiency equivalent to EPC C.

**List of Measures** – install as many measures as are appropriate for your home from a list of fabric measures:

- cavity wall insulation;
- 270mm loft insulation;
- draught-proofing;
- heating controls;
- 80mm hot water cylinder insulation;
- suspended floor insulation



**Alternatively**, you can have your home assessed by an EPC Assessor who will model the energy efficiency of your home and determine whether it meets the standard required. We are currently reforming EPCs to make sure they are fit to meet this purpose.



For the **private rented sector**, your property should meet this energy efficiency standard **before the end of 2028** even if they have a clean heating system installed.

For all other **privately owned homes**, your property should meet this energy efficiency standard **by the end of 2033** – <u>unless</u> the property has installed a clean heating system by then.

### The proposals: Flexibility and support

#### Flexibility

We intend to include flexibility when it comes to meeting the clean heating and energy efficiency requirements – reflecting the complexity of the housing stock and in a way which considers and responds to individual circumstances.

- We are proposing to give **extra time** to some people for example, where a clean heating solution isn't available at present, or if you are currently using a bioenergy system.
- We are considering giving **extra time for properties** where more complex solutions to install energy efficiency measures will be needed, for example a tenement or flat where all owners might need to work together, or for listed buildings.
- We may also need to provide **variations** on what is required to meet the standard in some situations depending on the building's characteristics or unique circumstances.

#### Managing the costs

We know that this will be expensive for many and are thinking about how we can limit the costs of meeting the Standard.

There are a range of ways in which this might be done:

- A **flat 'cap'** of £X that applies to all homes;
- A 'size-based' cap, that applies to all buildings based on their internal area (£X / m2);
- A 'purchase price-based' cap, that applies to all buildings based on the price paid for the property (X% of the purchase price).

We want to hear your views on whether a cost-cap is needed, your thoughts on the methods of calculating a cost-cap (described in the consultation document) and any other views or ideas about a cost-cap you have.



### Holding your own discussion – suggested questions

#### **Question guide**

#### **Heat Standard**

Q1. What do you think about Scottish Government's proposal to prohibit the use of polluting heating systems in all buildings after 2045?

#### **Energy Efficiency Standard**

Q2. What do you think about Scottish Government's proposal to introduce a minimum energy efficiency standard to be met in owner occupied homes (which still have a polluting heating system) by the end of 2033?

Q3. What do you think about Scottish Government's proposal to introduce a minimum energy efficiency standard to be met by private sector landlords by the end 2028 (even if they are already using clean heating)?

#### **Property Purchase**

Q4. What do you think about Scottish Government's proposal to require the end the use of polluting heating following a property purchase?

#### **Heat Networks**

Q5. What do you think about our proposal that buildings within a heat network zone should be required to either join the network or install another form of clean heating system?

Prompt for each question if helpful - Do you have any questions or concerns about this proposal?

# **Thank You**

For further information please contact: <u>HiBConsultation@gov.scot</u>.

### Have your say:

https://consult.gov.scot/energy-and-climatechange-directorate/proposals-for-a-heat-inbuildings-bill

### See the full document:

https://www.gov.scot/publications/delivering-net-zeroscotlands-buildings-consultation-proposals-heat-buildings-bill/





