

FUEL POVERTY (TARGET, DEFINITION AND STRATEGY) (SCOTLAND) BILL

1. EXECUTIVE SUMMARY

1.1 The Warm Homes Bill has been a long standing commitment of the Scottish Government – however at this point in time the Scottish Government have committed only to a Fuel Poverty Bill as opposed to a holistic Warm Homes Bill. The Scottish Government are currently in the process of putting forward to Scottish Parliament the Fuel Poverty (Target, Definition and Strategy) (Scotland) Bill which will outline a target of 5% fuel poverty across Scotland by 2040. The Bill proposes major changes to the fuel poverty definition, as well as amendments to the presumed heating regime for elderly households in Scotland. Argyll and Bute currently has a fuel poverty rate of 45% (Scottish Housing Condition Survey, 2018), and the new target and definition will identify significant challenges for residents in Argyll and Bute.

2.0 RECOMMENDATION

2.1 It is recommended that:

- The committee notes the response to the consultation submitted by officers and consider what further policy steps they may wish to take.

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3. INTRODUCTION

3.1 The Warm Homes Bill has been a long standing commitment of the Scottish Government– however at this point in time the Scottish Government have committed only to a Fuel Poverty Bill as opposed to a holistic Warm Homes Bill. The Scottish Government are currently in the process of putting forward to Scottish Parliament the Fuel Poverty (Target, Definition and Strategy) (Scotland) Bill which will outline a target of 5% fuel poverty across Scotland by 2040. The Bill proposes major changes to the fuel poverty definition, as well as amendments to the presumed heating regime for elderly households in Scotland. Argyll and Bute currently has a fuel poverty rate of 45% (Scottish Housing Condition Survey, 2018), and the new target and definition will identify significant challenges for residents in Argyll and Bute. This report will outline the new definition, target and strategy; as well as informing on potential challenges and opportunities for Argyll and Bute. The Bill is currently in Stage 1 of the parliamentary process, with parliament considering the general principles – and it is identified that the Bill will be in place by 2019 (subject to timescales).

4. RECOMMENDATION

4.1 It is recommended that:

- The committee notes the response to the consultation submitted by officers and consider what further policy steps they may wish to take.

5. DETAIL

5.1 Definition

The Scottish Government have proposed the following definition for a household being in fuel poverty:

“household is in fuel poverty if—

(a) the fuel costs necessary for the home in which members of the household live to meet the conditions set out in subsection (2) are more than 10% of the household’s adjusted net income, and

(b) after deducting such fuel costs and the household’s childcare costs (if any), the household’s remaining adjusted net income is insufficient to maintain an acceptable standard of living for members of the household.”

The conditions referred to in the proposed definition are that a property should be heated to 21°C in the living room and 18°C in all other rooms for 9 hours a day on a

weekday and 16 hours a day during weekends. Elderly and infirm households have an increased heating regime (given the longer time spent in their property) which is 23°C in the living room and 20°C in all other rooms for 16 hours every day. This is a noted increase from the original 23°C in the living room and 18°C in all other rooms. This therefore accommodates a warmer heating regime for elderly/infirm householders than the previous definition with the likely result being more such household will fall into the fuel poverty definition.

The proposed definition in the Bill utilises the Minimum Income Assessment (produced by Joseph Rowntree Foundation) to calculate affordability for householders to pay their fuel bills. Through utilising this method, the expected result is that wealthy householders who own large homes with high fuel bills will no longer be classed as “fuel poor” – and therefore will target genuine cases of fuel poverty. This may help reduce the cases of fuel poverty in Argyll and Bute.

It is also proposed that households adjusted net income will include the deduction of rent (this can include mortgage costs), Council Tax and water rates, fuel and childcare. Whilst this will provide a better understanding of households in fuel poverty, there are concerns that repair and maintenance costs of the property are not factored into the adjusted net income. Householders may not be classed as “fuel poor” through this definition, however may require extensive repairs/maintenance of their property to resolve damp issues which could be costly.

It should be noted that the previous definition of fuel poverty was easy to understand and to communicate to members of the public (i.e. a householder had to spend 10% of their annual income on fuel costs); as well as being easy to measure. There are concerns that this method will be difficult to calculate and communicate to members of the public.

There is no consideration in the definition of any rural/island weighting – which is disappointing given the extensive research and evidence base of rural and island fuel poverty.

5.2 Target and Strategy

The Bill is proposing a target of “no more than 5% of households in fuel poverty by 2040” for the whole of Scotland. The proposed Bill also states that Scottish Ministers will consult and prepare a Fuel Poverty Strategy which will outline the approach to meet this target, to identify organisations involved in the delivery of the target; and to identify the household characteristics of fuel poverty and the challenges faced.

The 2040 target is ambitious, and is intended to work alongside the Energy Efficient Scotland programme – which has a large emphasis on improving the energy efficiency of the Housing Stock across Scotland. The Bill is currently consulting on the following proposals:

- Owner occupied households to have an Energy Performance Certificate (EPC) of band C by 2040 (where technically feasible and cost effective)
- Private rented households to have an EPC of band D by 2020, and C by 2030 (where technically feasible and cost effective)
- Social rented households having an EPC of band B by 2032 (where technically feasible and cost effective)

- Fuel Poor households having an EPC of band C by 2030 and B by 2040. (where technically feasible and cost effective)

There is also further interest in moving to low carbon heat sources – anticipated to reduce fuel bills –as well as promoting energy switching. The price of energy is not a devolved power and therefore there is no influence as such on this issue.

There are concerns over this target and proposals being consulted on as – although it's Scotland wide – the rural and island areas may be disadvantaged due to having poorer energy efficient stock and higher fuel bills due to a lack of access to mains gas. This further identified the need for an island/rural weighting to be incorporated to the definition. There are also concerns over the Fuel Poverty element of the EPC standard- as fuel poverty has many variables and would be difficult to administer. Furthermore, there are concerns on whether proposed EPC standards are viable for rural/island areas – all of which influence the overall fuel poverty target that is being proposed.

The Housing Service has responded to consultations regarding Fuel Poverty and the proposals outlined for minimum energy efficiency standards throughout housing; both of which can be found in appendix one and two of this report.

6.0 CONCLUSION

This report has highlighted the initial progress with the Fuel Poverty (Target, Definition and Strategy) (Scotland) Bill which is currently in the first stage of the parliamentary process. There are key changes to the definition, as well as a new target revised for 2040. The changes outlined in the definition and target/strategy will have considerable challenges for Argyll and Bute as a whole; as well as the additional challenges faced with the proposals identified in the Energy Efficient Scotland consultation.

7.0 IMPLICATIONS

- 6.1 Legal: A new statutory fuel poverty target for 2040 is being proposed.
- 6.2 Financial: None.
- 6.3 HR: None
- 6.4 Policy: The proposal identifies a new fuel poverty target of 5% of homes across Scotland not being in fuel poverty by 2040. The proposals contribute towards the Scottish Governments target of reducing fuel poverty and reducing greenhouse gas emissions by 80% by 2050. It assists in achieving the Local Housing Strategy's aim to improve the quality and condition of housing.
- 6.5 Equalities / Fairer Scotland Duty: The scheme is consistent with the aims and objectives set out in the Local Housing Strategy. The fuel poverty rate in Argyll and Bute should fall due to the proposed new definition. The definition may also make energy efficiency schemes easier to identify fuel poor households and ensure people live in warmer homes. This will also mean that householders will have more disposable income available through having warmer homes and lower energy bills as a result.

6.6 Risk: None.

6.7 Customer Service: Increased opportunities for householders to access funding for energy efficiency improvements.

Executive Director of Development and Infrastructure: Pippa Milne

Policy Lead for Communities, Housing, Islands and Gaelic: Cllr Robin Currie

1st August 2018

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APPENDIX ONE

Fuel poverty definition consultation

| QUESTION | RESPONSE |
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| <p>1) Do you have any comments on this new definition of fuel poverty, in particular, what do you think about the proposal to use AHC and MIS as means to measure fuel poverty in Scotland?</p> <p>a) What, if any, challenges do you think this approach could present in enabling targeting of resources to those most vulnerable to fuel poverty</p> | <p>The new definition is difficult to convey to householders and it will be difficult to provide an “on the doorstep” test of fuel poverty.</p> <p>“After housing costs” (AHC) isn’t clear whether the maintenance/ repair of a property is covered – which should be factored in to ensure householders look after their property.</p> <p>Additionally the key issue with the definition is how to determine whether the spend of fuel is enough to attain a “healthy indoor environment” or whether it is heating to too high a level given the recommended heating regime. This poses a difficulty in attempting to calculate this (either on the doorstep or through a telephone call.</p> <p>In practical terms, it could be difficult to administer schemes against this definition as each householder would presumably require some form of survey - again difficult to explain why one person is getting it and another isn’t.</p> <p>The new definition does reduce cases whereby wealthy householders living in large properties would no longer be considered as fuel poor which is welcomed.</p> <p>There is no weighting for remote/rural/island areas which we would consider to be unfair given the already well documented issues these areas present. Therefore this merits further consideration in our view and should be accounted for.</p> <p>Clarity is required on what heating costs have been calculated on – and whether this takes into account local fuel data.</p> <p>The MIS (Minimum Income Standard) takes into account a family of 6 or less – and therefore there needs to be a clear indication of what constitutes being fuel poor for a larger family of over 6 and how</p> |

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| | <p>this will be calculated.</p> |
| <p>b) If this definition is to be used, how would you propose these challenges are overcome?</p> | <p>There needs to be consideration given to very remote/remote/island areas and potentially a rural weighting allocated to the definition</p> <p>Provide a measurement for housing maintenance and repair to ensure that this is accounted for.</p> <p>Ensure that local fuel use data is used for accuracy.</p> <p>Provide clarity on households with over 6 members.</p> |
| <p>2) Do you have any views on the proposal of using 75 years of age as a threshold for identifying those who are likely to be vulnerable to the adverse health outcomes of fuel poverty?</p> | <p>Pensionable age highlights a change in living circumstances; and therefore can also be used as a proxy for identifying fuel poor households. This change potentially highlights a different heating regime, potentially spending more “day time” hours in the property and therefore using more fuel to heat their home.</p> <p>Further information/clarity on the evidence to back up the “75” age bracket for vulnerability to fuel poverty would be</p> |

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| | <p>welcomed.</p> <p>However, in general we would be happy to defer to expert medical judgement on this point.</p> |
| <p>3) In relation to island communities, are there any additional a. challenges that we need to consider in developing our strategy?</p> | <p>A further rural weighting may be advantageous for island areas; given the poorer health care provision on island areas; pre 1919 properties; and higher travelling costs (difficulties in securing & retaining sufficient staff to deliver effective services at a local level for instance)</p> <p>The lack of mains gas is a major challenge in many areas, meaning that householders are either on oil (volatile), mains electricity (expensive), or have to investigate innovative heating solutions with different projects (where there are difficulties with funding).</p> <p>Conservation area constraints mean that householders may have to accept solutions/measures that they may not want – e.g. intrusive internal wall insulation to a small property – and there needs to be a recognition for traditional energy efficiency measures for these areas (such as shutters and thick curtains).</p> <p>The logistics for island areas are one of the biggest challenges – with ferries; road closures and accommodation posing the main issues – meaning that there a lack of willing contractors for island communities.</p> <p>In terms of trades on the island, good trades are too busy as they have a good reputation; and unreliable ones are known on island and don't want to be used. Some are also not accredited for the insulation works.</p> |
| <p>3) In relation to island communities, are there any additional b. opportunities that we need to consider in developing our strategy?</p> | <p>Opportunities for having a “whole island approach” which would require a large scale community buy in</p> <p>In terms of Area Based Schemes, again a whole island approach should be sought for producing economies of scale which would address potential work commitments for contractors.</p> <p>Community involvement/lead for innovative energy efficiency schemes.</p> |

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| <p>4) In relation to rural and remote rural communities, are there any additional a. challenges that we need to consider in developing our strategy?</p> | <p>Please see above.</p> <p>It is often the case that rural areas are potentially more hidden away and the challenges of very remote rural areas aren't as visible. Often these remoter communities exhibit similar characteristics to actual islands albeit technically they may be part of the mainland. Additionally, there is a challenge of defining the boundaries of the "community" in rural areas as there is a huge level of sparsity.</p> |
| <p>4) In relation to rural and remote rural communities, are there any additional b. opportunities that we need to consider in developing our strategy?</p> | <p>Off gas grid provides opportunities for innovative solutions to reducing energy consumption and alleviating fuel poverty</p> <p>Community led/involved emphasis towards generating interest and agreement for energy solutions. These areas may also be better placed in terms of coming together to support community led innovative projects.</p> |
| <p>5) Please give us your views on how national partners and local delivery organisations can work better together to identify and support those at risk of, or experiencing fuel poverty? What would best support, or enable such partnerships?</p> | <p>Argyll and Bute Council run an energy efficiency forum which invites energy agencies; charities; housing associations/registered social landlords and national agencies to discuss and share best practice regarding energy efficiency. The group meets quarterly and (as part of the Forum) are required to report on their energy efficiency activities every quarter. This provides a platform for agencies such as Home Energy Scotland and Argyll Lomonds and the Islands Energy Agency (ALLenergy); local RSL groups and energy charities such as Islay Energy Trust and Iona Renewables Group to discuss what assistance they can offer and how best to interact with members of the public.</p> <p>In the past, the council has used bespoke house condition surveys to collate robust evidence base to inform needs assessments, development of local policy & strategy, and to bid for or generate investment opportunities.</p> |
| <p>6) What can local partners do to contribute to meeting national aims of effectively and sustainably tackling fuel poverty? This might include sharing best practice or developing strategic approaches.</p> | <p>Sharing best practice and resources (in terms of availability of grants; successful funding applications and opportunities for joint working) will assist with reducing fuel poverty.</p> <p>Given the unique housing stock, Argyll and Bute faces a difficult challenge of not being able to have a one size fits all approach. This would therefore need to be reflected in any funding opportunities or strategic approaches that are developed.</p> |

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| <p>7) How can SG support local delivery partners (e.g. third sector organisations and social enterprises) to measure their success?</p> | <p>Provide a tailored energy efficiency/fuel poverty monitoring form for reporting purposes. This will allow for a uniform approach and will allow for something that's able to be replicated over Scotland.</p> |
| <p>8) How can the Scottish Government best support local or community level organisations to accurately a. measure provision of advice and support services and their outcomes?</p> | <p>Provide a tailored monitoring form and training on how to fill this out quickly on initial visit</p> <p>Have SG (or funder) write out to householder with a 6 month/year break to find out if advice is followed through.</p> |
| <p>8) How can the Scottish Government best support local or community level organisations to accurately b. report on provision of advice and support services and their outcomes?</p> | <p>A national system for reporting fuel poverty would be advantageous – it would allow a systematic approach for logging details and would ultimately ensure that there is a consistency for reporting.</p> |
| <p>8) How can the Scottish Government best support local or community level organisations to accurately c. ensure quality of provision of advice and support services and their outcomes?</p> | <p>An accredited quality training scheme would be advantageous for the delivery of energy advice and support. Again, this would provide a consistent approach to the delivery, reporting and measurement of fuel poverty advice and support; and would mean that householders are receiving a broadly consistent fuel poverty approach.</p> |
| <p>9) How can the one-stop-shop approach be enhanced for the benefit of HES clients; and in particular, a. Are there any improvements that you think can be made to the HES service to further enable it to best reach the most vulnerable to fuel poverty client groups?</p> | <p>A quicker identification of Able To Pay vs Fuel Poor.</p> <p>Have a streamlined conversation with client through HES and similarly better linkages with Warmer Homes Scotland /HEEPS: ABS contractors for accurate household information.</p> <p>Potentially better use of the Home Analytics dataset.</p> |
| <p>10) What are your views on our proposal to set a new statutory target to eradicate fuel poverty in the Warm Homes Bill?</p> | <p>Ambitious targets should be set, however with rising fuel prices and living costs, eradication of fuel poverty may be overly ambitious.</p> <p>The eradication of fuel poverty would have to include legislative powers that can be enforced.</p> |
| <p>11) What are your views on the proposed sub-targets?</p> | <p>The consultation paper identifies a statutory target of eradicating fuel poverty by 2040; and a non-statutory sub-target of reducing fuel poverty to below 10% by 2040. It needs to be clear as to what the statutory target for fuel poverty is – and whether the Government identifies “eradication” as being less than 10%. If this is the case, the statutory target should not be eradicating fuel poverty; it should be reducing it to</p> |

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| | <p>below 10%.</p> <p>Consideration should be given to householders that don't want insulation measures – which may have an impact on the 3rd target of insulating all properties. In areas where external wall insulation is a difficult and expensive measure (e.g. rural/islands) internal wall insulation is the preferred option. However, the intrusive nature puts householders off IWI; and therefore means that they will be missing out on insulation measures. Especially in conservation areas.</p> <p>There needs to be a further emphasis on reducing fuel costs (as this is one of the main drivers of fuel poverty and has a large influence on the issue). Although this is a UK Government issue and not devolved, consideration and lobbying for fairer energy prices must be considered.</p> <p>An independent review of delivery in 2030 would be welcomed to further identify the different needs that present themselves in the timeline.</p> <p>Further assessments should be required in order to identify if the sub-targets are achievable within the timescales identified.</p> |
| <p>11) What are your views on the proposed sub-targets? a) What are your views on the proposed levels?</p> | <p>Given that the “new” definition will reduce the number of fuel poor households to approx. 25%; a 10% target by 2040 should be achievable and realistic. However, this will still require significant investment into energy efficiency measures; as well as bespoke home visits to reduce energy consumption. An assessment should be conducted to identify the minimum investment required to meet these targets</p> <p>This still may not be reached unless energy costs become affordable across Scotland.</p> |
| <p>11) What are your views on the proposed sub-targets? b) What are your views on the proposed timeframe?</p> | <p>The timeframe provides a realistic opportunity to reduce levels of fuel poverty – and will be in line with Local Heat and Energy Efficiency Strategies to work alongside this target</p> |
| <p>12) What are your views on the proposed interim milestones?</p> | <p>The milestones are realistic if the revised fuel poverty definition reduces the overall fuel poverty levels by 5%.</p> <p>However, whilst the overall levels of fuel poverty may be reduced, hard to treat and hard to heat households (often found in rural areas) are still going to pose big</p> |

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| | <p>issues and without a rural premium, areas that are already susceptible to fuel poverty will not change.</p> <p>Again, an assessment will be required in order to ascertain whether these milestones are realistic.</p> |
| <p>12) What are your views on the proposed interim milestones? a) What are your views on the proposed levels?</p> | Please see above. |
| <p>12) What are your views on the proposed interim milestones? b) What are your views on the proposed timeframe?</p> | Please see above. |
| <p>13) How should the new Fuel Poverty Advisory Panel and Fuel Poverty Partnership Forum monitor progress towards meeting the proposed sub-targets and interim milestones?</p> | <p>Reporting requirement that is simple and easy to understand/use – with measures that can be applied across the country Reporting requirement for Local Authorities to report on partnership working</p> <p>A review of the current proxies that are available for different fuel poverty schemes. Currently, households with benefits/are in Council Tax Band A-C receive grant assistance, alienating the working fuel poor in Council Tax Band D and above.</p> <p>There needs to be a greater use of modelled data as well as data from the EPC register (i.e Home Analytics) to have a greater understanding of fuel poverty instead of solely relying on SHCS (which is neither robust nor credible at the local level or for rural authorities such as Argyll & Bute.).</p> |
| <p>14) What do you think the Advisory Panel's priorities should be in its first year?</p> | <p>Create links with the NHS</p> <p>Identify what monitoring will be required for fuel poverty</p> |
| <p>15) What examples do you have of using proxies to identify fuel poor households? a) Which proxies did you use?</p> | Council Tax Band A-C properties for HEEPS: ABS |
| <p>15) What examples do you have of using proxies to identify fuel poor households? b) Based on your experience, how well did these proxies work in accurately identifying fuel poor households?</p> | <p>Council Tax Band A-C doesn't work for rural areas as fuel poverty is pepper potted. A better proxy would be off gas grid and island areas; and for more urban areas Council Tax Band A-C and off gas grid heating systems would identify fuel poor areas. Given fuel prices is one aspect that can't be tackled, it would make sense to target the more expensive options first.</p> |

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| 16) What are the key lessons to be learnt from any existing approaches that apply proxies in door-to-door, on-the-ground assessments in this context? | An easy to use definition of fuel poverty and clear eligibility criteria to ensure that there is no grey areas for householders. |
| 17) Do you have any concerns about the use of a doorstep tool, in particular the challenges around delivery of area based schemes? | Additional resources will be required in order to fully utilise a doorstep tool to identify eligibility for energy efficiency schemes. |
| 18) How can the Scottish Government most effectively work with Community Planning Partnerships in a collaborative manner to report on overall fuel poverty levels as part of the SHCS? | <p>A combination of the Home Analytics data along with data already collected in the Scottish Housing Condition Survey sample would ensure a collective approach and would utilise all available data. For example, Home Analytics data provides a fuel poverty figure of 41% for Argyll and Bute in 2016/17; as oppose to 48% from the SHCS.</p> <p>Identify what properties are being surveyed for the SHCS for Argyll and Bute.</p> <p>Ensure that the data collection side of SHCS is accurate and reliable at CPP/ Local Authority level.</p> |
| 19) What are your views on, or experience of how an outcomes-focused approach would work in practice? | The approach is welcomed and needs to be accompanied by measures which directly relate to those outcomes as well as one measuring the drivers. |
| <p>19) What are your views on, or experience of how an outcomes-focused approach would work in practice?</p> <p>a) Would it encourage national and local policy and delivery partners to work together effectively, and if not, what alternative approach(es) do you propose could be used instead?</p> | Where it is possible to identify & quantify outcomes (as opposed to outputs), then this is the standard approach for delivering and measuring success of the general range of strategies and would normally encourage, facilitate and focus partnership working and joint delivery. |
| 20) Do you think the principles detailed in the 3 bullet points above are adequately reflected in the outcomes framework? | Yes. |
| <p>21) In your opinion, would the proposed framework help to strengthen partnerships on-the-ground?</p> <p>a) If so, how?</p> | There needs to be a willing reason for partnership working (e.g. bringing funding into the area) which assists in strengthening partnerships between different agencies and local authorities. If the framework can reflect this then it will strengthen local partnership working. |
| <p>21) In your opinion, would the proposed framework help to strengthen partnerships on-the-ground?</p> <p>b) If not, why?</p> | Given that the proposed framework is set to be a statutory requirement that is measured and overseen by ministers, it will assist to strengthen partnerships on the ground due |

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| | to it being recognised as a requirement. |
| 22) Do you think any of the proposals set out in this consultation will have an impact, positive or negative, on equalities as set out above? If so, what impact do you think that will be and, if negative, how do you think these could be mitigated? | An EQIA is essential given that age is a critical factor in fuel poverty issues; and that this whole issue is now gaining traction and importance for Health & Social Care Partnerships – and promoting closer cross sectoral planning. Initial views are that the proposals will have positive impacts for particular groups and will provide improved equity across the population. |
| 23) What implications (including potential costs) will there be for business and public sector delivery organisations from these proposals? | If there is going to be a statutory requirement for fuel poverty eradication, then additional resources will be required in order to further facilitate work on the ground – whether this is delivered at a local authority level or not. |
| 24) Do you think any of these proposals will have an impact, positive or negative, on children’s rights? If so, what impact do you think that will be and, if negative, how do you think these could be mitigated? | Yes, positive impact on children’s health and wellbeing due to warmer, more efficient homes and generally better environments. |

APPENDIX TWO

Minimum energy efficiency standards consultation

| No. | QUESTION | RESPONSE | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--------------------------|--|---|---------|-------------------------|------------|-------------------------|-----------------|------|-----------------------|---------------|------|-------------------------|-----------|------|--------------------------|-------------|------|---------------------|-----------------|------|-----------------|-----------------|------|--------------|-------------------|------|--------------|--|---------------|
| 1. | <p>What are your views on our proposal for owner occupied and private rented properties to achieve the long term domestic energy standard EPC Energy Efficiency Rating Band C by 2040 at the latest?</p> | <p>The proposal in terms of an EPC band of C for private properties is ambitious and will require substantial levels of funding to get to this level.</p> <p>The figure of £3,500 to get homes to this level will be extremely challenging (if not impossible) for some properties – particularly in rural and island areas. Given this has been taken from a SHCS report, the Argyll and Bute “sample” for this is only 241 properties (equating roughly to 0.5% of the stock) and therefore doesn’t provide a fair representation of the additional costs of travel etc. that rural areas are disadvantaged from.</p> <p>There should be a focus on a standard for all homes irrespective of tenure – with an option being to be as energy efficient as reasonable practicable.</p> <p>For example, a band F will struggle to meet a D, let alone a C:</p> <table border="1" data-bbox="662 1126 1329 1615"> <thead> <tr> <th>Measure</th> <th>Cost (according to EPC)</th> <th>EPC Effect</th> </tr> </thead> <tbody> <tr> <td>Room in Roof Insulation</td> <td>£1,500 - £2,700</td> <td>F 21</td> </tr> <tr> <td>Underfloor Insulation</td> <td>£800 - £1,200</td> <td>F 25</td> </tr> <tr> <td>Hot Water Cylinder Coat</td> <td>£15 - £30</td> <td>F 25</td> </tr> <tr> <td>Upgrade Heating Controls</td> <td>£350 - £450</td> <td>F 31</td> </tr> <tr> <td>Solar Water Heating</td> <td>£4,000 - £6,000</td> <td>F 34</td> </tr> <tr> <td>Solar PV Panels</td> <td>£5,000 - £8,000</td> <td>E 42</td> </tr> <tr> <td>Wind Turbine</td> <td>£15,000 - £25,000</td> <td>D 62</td> </tr> <tr> <td>Total</td> <td>Best Case =£26,665 Worst Case =£43,380</td> <td>53 Point jump</td> </tr> </tbody> </table> | Measure | Cost (according to EPC) | EPC Effect | Room in Roof Insulation | £1,500 - £2,700 | F 21 | Underfloor Insulation | £800 - £1,200 | F 25 | Hot Water Cylinder Coat | £15 - £30 | F 25 | Upgrade Heating Controls | £350 - £450 | F 31 | Solar Water Heating | £4,000 - £6,000 | F 34 | Solar PV Panels | £5,000 - £8,000 | E 42 | Wind Turbine | £15,000 - £25,000 | D 62 | Total | Best Case =£26,665 Worst Case =£43,380 | 53 Point jump |
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| Room in Roof Insulation | £1,500 - £2,700 | F 21 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Underfloor Insulation | £800 - £1,200 | F 25 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Hot Water Cylinder Coat | £15 - £30 | F 25 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| Wind Turbine | £15,000 - £25,000 | D 62 | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | Best Case =£26,665 Worst Case =£43,380 | 53 Point jump | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2. | <p>Do you think we should allow for situations where a lower standard is acceptable?</p> | <p>Yes. Lower standards should be accepted for conservation areas and traditional properties where traditional measures such as shutters and heavy curtains aren’t accounted for in EPC; and are harder and more expensive to insulate. Also, traditional roofs that are requiring repair will not be able to support solar PV/thermal, and consideration should be given to the repair/maintenance of the building as well as energy efficiency improvements.</p> <p>Additional funding/options will be required for off gas grid properties- given that gas central heating is currently more favourable for the EPC as</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | |

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| | | <p>opposed to storage heating.</p> <p>Rural areas as a whole will find a band C extremely challenging – in part due to accessing a contractor that has the relevant accreditation required for energy efficiency improvements.</p> <p>There will be situations where reaching an EPC band C is impossible despite grant and loan funding that is available – there needs to be an appreciation of these types of property.</p> |
| 3. | <p>Do you think we should allow for situations where a longer period for improvement is allowed? Please explain your answer, giving examples.</p> | <p>If the EPC band C is to be taking into account, then there needs to be robust regulation in place for example, to not allow properties to be sold or rented before they meet these conditions as far as reasonably practicable.</p> <p>If this approach isn't taken, then longer periods for measures such as EWI should be considered; and if roof repairs/maintenance is an issue holding the energy efficiency improvement (PV/solar Thermal) back, then consideration of funding and time needs to be given in order to progress it.</p> |
| 4. | <p>We are proposing that the definition of a cost-effective measure is that it should pay back over its lifetime. What are your views on this definition?</p> | <p>It needs to be clear what is defined as "lifetime". If the meaning of it in this context is the guarantee which the energy efficiency measure has then it would seem reasonable.</p> <p>Clarity is also required for how the payback will be calculated. Will this be based on the EPC payback/savings section? If so, this would have to be tailored to each building. This would also be considered as an issue for rural/island areas where a rural premium is not accounted for within EPC costing.</p> <p>Both these issues have implications for the progression of this proposal.</p> <p>The theory behind it is reasonable, however for low income households that may not be in fuel poverty, it will be challenging to try and assist them to take up loans for energy efficiency improvements.</p> |
| 5. | <p>What are your views on the issue of air quality in relation to the long term domestic standard?</p> | <p>There will be cases particularly in older properties, where insulating the property will not address issues such as damp, which contributes to poor air quality and health issues (e.g. asthma). For example, concrete pointing on a traditional stone built property. These cases will need to be considered and addressed.</p> <p>Over insulating (for example loft insulation where foil backed materials have been installed) can lead to serious condensation issues for the roof timbers; and will need to be balanced with</p> |

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| | | appropriate ventilation. The ventilation and breathability of the building itself is as important as air quality in the building. |
| 6. | The EPC rating of a property can be affected by changes to the underlying methodology data and to fuel price data. How do you suggest that the programme takes account of this in setting the long term domestic standard? | To enforce the standard, the latest EPC should be utilised in order to make it easier for householders and landlords. |
| 7. | What are your views on the proposal that all PRS properties meet EPC Energy Efficiency Rating Band C by 2030? | <p>The proposal is again challenging, and will be difficult to achieve. The consultation states an EPC band E by 2020, Band D 2025, and Band C by 2030. It would be fairer and sensible to not propose a staggered approach, but identify that properties will have to reach a band C by 2030, therefore allowing for ten years to plan improvements and stagger the costs. For example, a landlord may erect scaffolding for EWI before 2025 – ensuring the property meets a band D – but then is required to fit Solar PV to the roof (requiring more scaffolding) and is a duplicated cost. There also needs to be an incentive to the landlord, as well as some form of assistance aside from a loan.</p> <p>There may be unintended consequences through this. Landlords may seek to turn their properties into holiday lets – therefore not requiring any further improvements. Landlords may increase rents – which won't assist with levels of fuel poverty. Landlords may also sell their property due to this high standard – the implication could be that the tenant becomes homeless, putting an additional strain on the homeless service. This could lead to a surge in empty properties/holiday lets which is already affecting communities – particularly in remote rural locations.</p> <p>Although the proposal is ambitious and ultimately will effect carbon emissions and fuel poverty levels, there will either have to be robust regulation in place or a reduction in requirements for the PRS.</p> |
| 8. | What are your views on our proposal for an initial period of encouraging action? | <p>It needs to be transparent whether or not this will be mandatory. It would be sensible to inform householders that they will have a duty to improve the energy efficiency of their property to reasonable levels (whether this a C or where technically feasible and cost effective) to ensure that householders can take advantage of grant funding that is currently available through fuel poverty; area based; and loan schemes.</p> <p>The schemes limited by area basis and</p> |

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| | | <p>constrained by eligibility criteria may need to be more flexible (for example, the equity loan scheme pilot) to provide as many different avenues for householders as possible. This would encourage householders to take up offers like this to ensure that they can meet these conditions where technically feasible and cost effective.</p> |
| 9. | <p>What information would be useful for householders to access on how to achieve EPC Energy Efficiency Rating Band C before 2030?</p> | <p>The issue presented is how to determine what is technically feasible and what is cost effective.</p> <p>For example, the EPC states for solid wall properties made of sandstone that EWI is applicable; whereas a more cost effective/technically feasible and sensible solution would be IWI. The EPC also identifies renewables such as Solar PV/Wind turbines as suitable measures for properties; whereas rural and island areas will not have access to accredited MCS installers that would cost-effectively install these measures.</p> <p>In short, the cost effective data and feasibility data would be essential in the process of identifying measures which can be installed. Additionally, availability of installers will be required as part of the process.</p> |
| 10. | <p>What are your views on our proposal to follow this initial period with mandating action?</p> | <p>As explained in question 8, there needs to be clarity to householders from the start regarding whether this will be a mandatory action or not. The resource for this will have to accompany mandatory actions and assistance, whether this is through grants or loans. Financial penalties will require robust regulation; and agree that the change in ownership is a sensible approach in terms of improving energy efficiency. There may be issues for families that inherit homes and wish to sell them on – a flexible and straightforward equity loan would enable these families to meet any mandatory actions.</p> |
| 11. | <p>What are your views on our proposal that 2030 is the right point to start mandating action to achieve EPC Energy Efficiency Rating Band C?</p> | <p>As stated in question 8 and 11, mandatory action should be clear from the start of the process. If the is an EPC band C by 2040 then put robust regulation in place to ensure that this is met and adhered to. Householders need to be made aware of these significant changes to their homes; and what this means for them - so that they can plan technically feasible and cost-effective solutions for their properties.</p> |
| 12. | <p>What are your views on our proposal for owner occupied properties to be subject to penalties for non-compliance?</p> | <p>It seems like a sensible approach, but will require robust regulations and suitable powers to be able to be enforced – however there needs to be an appreciation for homeowners not necessarily fuel poor but unable to afford improvements.</p> <p>Energy efficiency/repair/maintenance of a property needs to be seen as a priority for householders – which it currently isn't.</p> |

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| 13. | <p>What are your views on requiring all types of accommodation to meet the Long Term Domestic Standard over time? Please explain your answer, giving examples of accommodation you think should/should not be required to meet the Long-Term Domestic Standard if relevant?</p> | <p>As highlighted in question 7, if holiday homes are not required to meet energy efficiency standards, then there is the opportunity for landlords to designate their properties as holiday lets – leading to no energy efficiency improvements.</p> <p>Some form of standard energy efficiency requirement needs to be identified – regardless of tenure/use – which is technically and cost effectively feasible (whether this is a Band E or Band D).</p> |
| 14. | <p>Please provide your views on our proposal that all homes with fuel poor households are to reach EPC Energy Efficiency Rating Band C by 2030, where technically feasible and cost effective?</p> | <p>The fuel poor household standard is extremely flawed. It is well documented that householders can fluctuate in and out of fuel poverty.</p> <p>For example, if a householder is working but is close to retiring, the householder is not in fuel poverty and must reach a band C by 2040. If however the householder retires, the income levels for the home drops and the householder subsequently falls into fuel poverty. The householder then has to reach a band B. However, the retired householder can then get a part time job, which raises the household income enough to ensure they are no longer in fuel poverty; and the householder then has an EPC banding of C to reach.</p> <p>There is also the issue where householders off gas grid will have measures that are not technically feasible or cost effective, meaning they will not meet the EPC band C. Nevertheless, these householders are the ones more likely to be in fuel poverty due to a lack of access to the gas grid. Therefore, regardless of the regulations in place, the householder will still be in fuel poverty, which hasn't solved the issue.</p> <p>One standard banding should be encouraged – with additional financial support provided to the householder that needs it. The issue of rural, remote, and island areas still needs to be addressed; as well as the issues related to householders in conservation areas.</p> <p>For example, a householder living in a detached pre 1919 stone built property in Port Wemyss on the Isle of Islay, with no access to mains gas and electrically heating their property (whilst also being in a conservation area) will be almost disadvantaged by this proposal. The cost effectiveness of measures may mean that given the island location it's not applicable. The conservation restraints will mean that some measures will not be granted planning approval.</p> |

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| | | <p>The householder will still have a relatively low EPC score, still be in fuel poverty, despite still having to try and achieve a band C by 2030 and band B by 2040.</p> <p>Regardless of fuel poverty or not, householders in these areas will require substantial funding to get their EPC up to a suitable standard.</p> |
| 15. | Please provide your views on our proposal that all homes with fuel poor households are to reach EPC Energy Efficiency Rating Band B by 2040, where technically feasible, cost effective and possible within limits affordable to the public purse? | Please see above question 14. |
| 16. | In addition to what we have set out in paras 46-50, what should the Energy Efficient Scotland Assessment Short Life Working Group also consider? Please explain your answer. | There should be an emphasis on traditional features being included as part of the EPC process. Additional consideration should be given to technical and feasible measures only – and opportunity to link this with affordability data. . |
| 17. | What are your views on whether the long term domestic standard should be enforced at a local or national level? Please explain your answer. | If the standard is to be enforced locally, then Local Authorities will require additional resources and robust regulation to enforce these standards. If neither of these can be provided, then it should be enforced nationally. |
| 18. | Are there specific building characteristics you consider should be included in research to ensure that future improvement targets reflect the diverse nature of our non-domestic building stock? If so, please set out what these are and why they should be considered. | n/a |
| 19. | What are your views on the way calculated energy use from building assessments are presented and/or benchmarked? We are particularly interested in what arrangements you favour and how you think they would be useful. | n/a |
| 20. | What are your views on the proposed planned works to review improvement targets? | n/a |

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| 21. | What are your views on our proposals for phasing the regulations from 2020? | n/a |
| 22. | Should advice and support to invest in the energy efficiency of industrial or manufacturing buildings align with wider advice and support on how to reduce energy consumed for productive processes? If so, please suggest how improving efficiency in building and “process” energy could work together, and what opportunities and challenges this might present? | n/a |
| 23. | What more could the Scottish Government do to encourage the public sector to accelerate energy efficiency across their building stock? | n/a |
| 24. | What more could the Scottish Government do to encourage the public sector to accelerate heat decarbonisation across their building stock? | n/a |
| 25. | What additional data would help building owners in the delivery of the Energy Efficient Scotland Programme? How would this be used? | In terms of domestic data – as stated previously – appreciation for traditional measures should be used; appreciation of closest MCS/Accredited installers used; realistic paybacks given a rural premium; realistic costs. This would be used to identify where measures may be technically not feasible or not cost-effective. |
| 26. | What additional data would be helpful to others in the delivery of the Energy Efficient Scotland Programme? How would this be used? | Please see question 25. |
| 27. | We will investigate the benefit in providing new online resources or tools to support building owners to access and use data to help them improve their properties. What particular types of resources or tools would you find useful and why? | <p>An EPC estimation tool with the benefit of adding and removing energy efficiency improvements would greatly assist if these regulations are to be enforced. Indications over whether the measure is technically feasible or whether it is cost effective should be included in this tool along with guidance and assistance.</p> <p>If the standard is to be used, this gives householders a general idea of what they will require to do, whether it’s technically feasible or not, and if there’s any assistance that’s available.</p> |
| 28. | In addition to the above, we welcome any specific comments or observations you may have on the future | It will by and large further highlight the issues which rural, island and off gas grid areas face; and hopefully will lead to further funding and innovative measures that can be comparable/cost effective |

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| | use of the data that is gathered from energy assessments. | against heating options such as gas. |
| 29. | What are your views on the implementation and enforcement of existing legislation relating to energy efficiency and heating of buildings in Scotland? | No comment. |
| 30. | What changes may be needed (if any) to this existing legislation, to ensure that the Scottish Government, Local Authorities, and any other relevant bodies or persons, have the powers and duties necessary to support the Energy Efficient Scotland Programme? | There needs to be robust regulations and enforceable regulations in order to ensure it is taken seriously. There needs to be leadership for this issue, and provide the enforcing body with either financial penalties or ensure households cannot be let/sold without meeting these conditions. If the regulations on energy efficiency standards are not robust enough/not enforceable then meeting these standards will be difficult. |
| 31. | What other elements of the programme may require new or amended legislation to enable the Energy Efficient Scotland Programme to operate? | Please see question 30. |
| 32. | Which organisation(s) should be responsible for delivering any new legal requirement? | If the organisation is a local authority, then further resources will be required in order to legitimately enforce the regulations. |