

Energy Efficient Scotland: Improving Energy Efficiency in Owner-Occupied Homes

Part 1 - Setting the energy efficiency standard for owner-occupied housing

1 Do you agree or disagree that there should be a legally-binding energy efficiency standard for owner-occupied housing?

Agree

Please explain your view:

Yes; we believe that legally-binding standards will help point out those properties not performing to the expected standard and improve the efficiency of all domestic dwellings.

2 Do you agree or disagree that EPC Energy Efficiency Rating band C is the appropriate standard to use?

Disagree

Please explain your view:

Based on the current cost-based approach of the EER calculation methodology, we believe that the use of EER may not be appropriate to accurately gauge the required outcomes for these standards. The best example is that those homeowners who install electric heat pump systems see little improvement in the rating as the assumed cost of electricity is much higher than gas.

Shifting the rating to one based on Primary Energy would have better outcomes as homeowners can see immediately their energy usage and how improvements help to reduce this. The current SAP rating is a complex calculation based on fuel costs and floor area; determining the improved change cannot be easily seen without recalculating the entire report.

3 What are your views on the “fabric first” approach?

Please explain your view:

A 'fabric first' approach is a pragmatic and responsible method to ensuring that improvement measures have positive outcomes to the dwelling, reduced energy usage, and improved comfort for occupants and at a level that is accessible. There seems little point with installing internal wall insulation to a dwelling if the exterior pointing of the mortar is poor, allowing in the ingress of moisture and damp into the dwelling and negating any improvements from the insulation.

4 In your view, how can we ensure that when EPCs are used to determine compliance with the standard, they are robust and not easily open to misuse?

Please explain your view:

Surveillance auditing based on risk factors have much more positive outcomes than those activities selected purely randomly. In addition, an EPC is a legal document produced for homeowners on behalf the Government, therefore ensuring the quality and consistency of such documents is vital. Ensuring the continued competency of the assessors is essential and the continued ability of Accreditation Schemes to remove assessors who perform poorly, is a key factor in maintaining credibility in the system.

Energy Efficient Scotland: Improving Energy Efficiency in Owner-Occupied Homes

5 Do you think the standard should be fixed, or should it be subject to periodic review and change over time?

Please explain your view:

No standard should remain fixed; technological changes may lead to better improvement outcomes in the future, therefore periodic review and amendment is necessary to ensure that as much as possible can be done to reduce energy usage and carbon emission. Targets however should be fixed to ensure they are met successfully and so that the industry has a deadline to meet certain requirements.

6 Do you agree or disagree that 2024 is the right start date for the mandatory standard to start operating?

Agree

Please explain your view:

The 2024 start date would be a pragmatic implementation date to ensure public awareness and acceptance and is in line with the Scottish proposals. However, small scale trials within local authorities or metropolitan areas should also be considered prior to this to get a better sense of how this would work.

7 Do you agree or disagree with point of sale as an appropriate trigger point for a property to meet the legally-binding standard?

Disagree

Please explain your view:

It seems possible that the implication of a 'point of sale' trigger could lead to some conflict with existing Regulations. An EPC is currently required for the marketing of the dwelling for sale, therefore it is possible that a dwelling can be marketed for sale below the required standard, only to be improved and then a new EPC for the point of sale. It would be much more effective to have the point of marketing as the appropriate trigger point. This would add an additional evidence of compliance checking, with estate agents being able to direct the vendor to suitable guidance. This would also allow buyers to identify potential sub-standard dwellings before the point of sale, and factor-in the anticipated costs of remedial works when making an offer on the dwelling. This would certainly cover the vast majority of transactions which are covered as a marketed sale - transposing this to non-marketed sale would need to ensure a 'point of sale' trigger as a backstop.

8 Do you agree or disagree that responsibility for meeting the standard should pass to the buyer if the standard is not already met at point of sale, as described above?

Agree

Please explain your views and give any evidence you have, whether you agree or disagree:

Agree - passing responsibility to the buyer is the only practicable solution however needs to be legally binding as part of the selling process. Enforcement would then be needed to ensure this is monitored.

Energy Efficient Scotland: Improving Energy Efficiency in Owner-Occupied Homes

9 What, if any, unintended consequences do you think could happen as a result of these proposals? For example, any positive or negative effects on the house sales market.

Please explain your view:

If the Regulations and guidance are not clear enough, it could lead to some confusion for buyers and sellers, however, there are more important long-term benefits than just on the sales market. The improvements created by clear regulations will lead to the end goal of having an improved quality of housing stock as well as the effects of improved living quality and its associated health benefits.

10 Do you agree or disagree with point of major renovation as an appropriate trigger point for a property to meet the legally-binding standard?

Agree

Please explain your view:

It is agreed by all that there should be more trigger points for properties to meet standards and in principle this includes that a major renovation should be a trigger. The main issue however would be in relation to the determination of the dwelling value and costs of the renovations works. These would need to be known prior to an application for a building warrant; even then, what would happen if the costs of works escalate to the point where it meets the trigger for 'major renovation' without any costings factored for this?

11 What is your view on how “major renovation” should be defined? Should the Energy Performance of Buildings Directive definition, as described in Annex B, be used?

Please explain your view:

PEPA agree that the EPBD definition of a major renovation i.e. works costing 1/4 of the value of the dwelling, would be an appropriate benchmark.

12 How could a requirement to meet the energy efficiency standard at point of major renovation be checked and enforced?

Please explain your view:

Any substantial renovation work would most likely require a building warrant, so building control would be in the optimum position to manage the compliance. This would also be the opportune point to trigger for a new EPC to be produced once all of the building works have been completed so that the property has a valid EPC post install.

This could be the responsibility of the installer or most likely the local authority.

13 What do you think would be a fair and appropriate method to ensure compliance, if the legally-binding standard is not met? What type of penalty system would be appropriate?

Please explain your view.:

A penalty system would be appropriate, but this should also be in place to penalise those estate agents which do not ensure EPCs being in place, or deliberately providing misleading information about the rating of the dwelling at marketing. PEPA is of the combined view that incentives and being informed of the possible penalties in advance would prevent the requirement for a penalty to occur.

Energy Efficient Scotland: Improving Energy Efficiency in Owner-Occupied Homes

14 Should a penalty for failing to comply with the standard be one-off or recurring?

Please explain your view:

PEPA believe the penalty should be recurring however as previously mentioned there need to be incentives for property owners prior to these penalties being enforced.

15 At what level, approximately, should any penalty be set?

Please explain your view:

The penalty should either be based on the cost of the improvement spend or given that the average Scottish house price is £149,036, the penalty could be 1.5% of the sale value of the dwelling for example as a standard.

16 Are there any particular groups of people who could be adversely affected, more than others, by enforcement processes and charges?

Please explain your view:

It is likely that homeowners could be impacted by enforcement specifically those living in fuel poverty as well as families selling dwellings after probate. This however may have a positive result in enforcing those individuals being affected by fuel poverty to be identified. Some vulnerable people such as the elderly could be affected as they may be required to update their dwelling in order to sell the dwelling to pay for care home fees for example.

17 Which body or bodies should check if the standard has been complied with at the trigger point, and should be responsible for levying any penalty?

Please explain your view:

PEPA believes that Local Authorities should have the responsibility for checking at the trigger point, using the same mechanism for checking compliance to PRS minimum standards, would be the best body and in liaison with their building control colleagues.

18 Considering the information set out in the consultation document, specifically Part One and in Annex D, what are your views on the best way to approach cost effectiveness, taking into account the trade-offs between how easy to understand and how sophisticated different definitions are, and how the different definitions might affect the number of homes that actually achieve the EPC C standard?

Please explain your view:

We have no strong opinion on this.

19 Other than technical feasibility and cost effectiveness, are there any other reasons why a homeowner may not be able to bring their property up to EPC C at point of sale or renovation, and would need to be given an exemption or abeyance? (For example, difficulties of getting permission from other owners for common parts of buildings.)

Please explain your view:

Third party consent would be an obvious exemption including Local Authority or Historic Scotland as examples.

Energy Efficient Scotland: Improving Energy Efficiency in Owner-Occupied Homes

20 Do you agree or disagree that, even if a property can't fully meet the standard, it should be required to get as close as possible to it?

Agree

Please explain your view:

We agree that every property should be made as efficient as possible even if the property is unable to meet the required standard. In the same manner as PRS Regulations, all possible recommendations should be completed to get the dwelling to the best possible state.

21 Do you agree or disagree that any exemptions or abeyances from the standard should be time-limited?

Agree

Please explain your view:

We agree that exemptions or abeyances from the standard should be time limited as technologies evolve and future finding packages develop it may be easier to increase the efficiency of the dwelling.

22 Which body or bodies should take decisions about granting abeyances? Should this be done at a local level or centrally at a national level?

Please explain your view.:

We agree that it should be local authorities that have the powers to grant abeyances. This would potentially speed up the process with easier communication and give the local authority the power to carry out its own enforcement.

Part 2 - Helping homeowners to meet the energy efficiency standard

23 The Short Life Working Group (SLWG) on Assessment propose that any new assessment regime should exist on two levels, comprising both a mandatory asset-based assessment and an optional occupancy-based assessment. What are your views on this approach? Do you agree that an occupancy assessment should be optional? Are there specific inputs that should be included in both?

Please explain your view:

An occupancy assessment for the purpose of sale would have very little benefit to the buyers however we can see that it could provide the opportunity for potential new dwelling owners to address install of measures via retrofit that would alter the personal use of the property.

24 The SLWG on Assessment propose that the output of the assessment should be a report with tailored recommendations that set a clear pathway to both regulatory compliance (i.e. EPC band C) and zero carbon. There are conflicts between meeting the EPC rating and zero carbon. What are your views on how this can be handled/mitigated?

Please explain your view:

There should be specific fabric first recommendations that should be considered before EPC recommendations. These would have to be reported on top of the EPC itself.

Energy Efficient Scotland: Improving Energy Efficiency in Owner-Occupied Homes

25 The new assessment proposals from the SLWG on Assessment include more of an advisory role for the assessor. What are your views on the additional skills and training required to deliver this role? Are existing Domestic Energy Assessors best placed to provide the tailored recommendations? What risks and conflicts do you foresee and how would you propose to mitigate them?

Please explain your view:

We agree that additional training should be made mandatory associated with additional advice. The creation of Retrofit Assessor training through the PAS2035 standard provides this knowledge gap and would result in a whole house approach of assessment and would mitigate any risks. This additional role is best served for the purpose that goes above and beyond the role of the Domestic Energy Assessor.

26 The SLWG on Assessment propose that the tailored recommendations to improve energy efficiency and achieve zero carbon should consider the legal designation of buildings, obvious defects or condition issues, and local costings. Do you foresee any liability issues in this approach and if so, what suggestions do you have to mitigate them? Do you believe the inclusion of local costings to be practical and what are your thoughts on what level should be considered 'local'? Should the local cost of energy also be considered?

Please explain your view:

A retrofit project should mitigate any risks as the main concept is to provide a whole house approach with a focus on achieving installations of a high quality and with information provided by qualified individuals that have been compliance checked against the PAS. Any improvements need to take into consideration the legal designation of the building, as well as obvious defects, overall condition and associated costings, all these factors would be included as part of a retrofit project.

27 The SLWG on Assessment propose that the assessment should provide a theoretical indication of whether recommendations are technically feasible. Please provide your views on who should determine actual technical feasibility? Should this be a qualified installer or someone else?

Please explain your view:

PEPA believe that Energy Assessors are competent and in the best place to provide the advice in relation to recommended measures, however, information on specific products and the installation of these measures would require specialist advice from an approved installer.

28 In your view, what are the most important considerations for homeowners who are required to meet the legally-binding standard, in relation to skills, supply chain, consumer protection and quality assurance?

Please explain your view:

It is clear that homeowners and the industry require well trained, regulated and independent tradespersons with better consumer protection. If going down the path of retrofit, the PAS enables these things with Trustmark being the overarching oversight body. Furthermore, homeowners need to be educated in how to access this information.

Energy Efficient Scotland: Improving Energy Efficiency in Owner-Occupied Homes

29 What are your views on how the Quality, Skills and Consumer Protection SLWG recommendations specifically have an impact on the owner occupied sector?

Please explain your view:

As above, PEPA believe that the Retrofit Process would mitigate any risk and provide the required quality, skills and Consumer Protection assurance needed.

30 In your opinion, is this the right range of Scottish Government financial support schemes? Are there any gaps, regarding either types of financial product or groups of people who may be excluded from being able to access products?

Please explain your view.:

We agree these are the correct range of financial support schemes as they target the groups of people with highest need and that they should be continued.

31 Do you agree or disagree that grant funding from the public purse should be focused on households who are vulnerable or in fuel poverty?

Agree

Please explain your view:

PEPA strongly agrees that grant funding should be focused on these groups as vulnerable and poor will not be able to self-fund improvements to their dwelling.

32 In your opinion, what sources of non-government, private sector support are people most likely to want to access? (eg from banks, building societies, credit unions, mortgage providers)

Please explain your view.:

No opinion.