

Energy Efficiency Standards for 2024

Context

Climate Change

(Emissions Reduction Targets) (Scotland) Act 2019 has just been passed by the Scottish Parliament. Parliament has set in law very ambitious targets to reduce greenhouse gas emissions, requiring **Scotland to reach net-zero emissions by 2045, with 75% reductions by 2030 and 90% reductions by 2040.**

Fuel Poverty

The Scottish Parliament also passed the Fuel Poverty (Targets, Definition and Strategy)(Scotland) Act 2019 which set a target, in law, of no more than 5% of Scottish households being in fuel poverty by 2040 and includes challenging interim targets.

Western Isles currently at 56% but new definition is 36% with extreme fuel poverty at 25%.

This means a quarter of homes are spending more than a quarter of their income after housing costs on fuel.

We are proposing that energy efficiency standards should be introduced for owner-occupied housing, and **that they should be legally binding.**

In the Energy Efficient Scotland Route Map7, published in May 2018, we proposed that the standard for domestic properties should be based on the Energy Efficiency Rating (EER) of the Energy Performance Certificate (EPC). **We said that all homes should reach at least an EER of Band C, where it is technically feasible and cost effective to do.**

But we do want to encourage a “fabric first” approach. No matter how you heat your home, improving your insulation and reducing draughts will make your home easier to heat, will mean less energy is wasted and could save you on your fuel bills.

Definite requirements

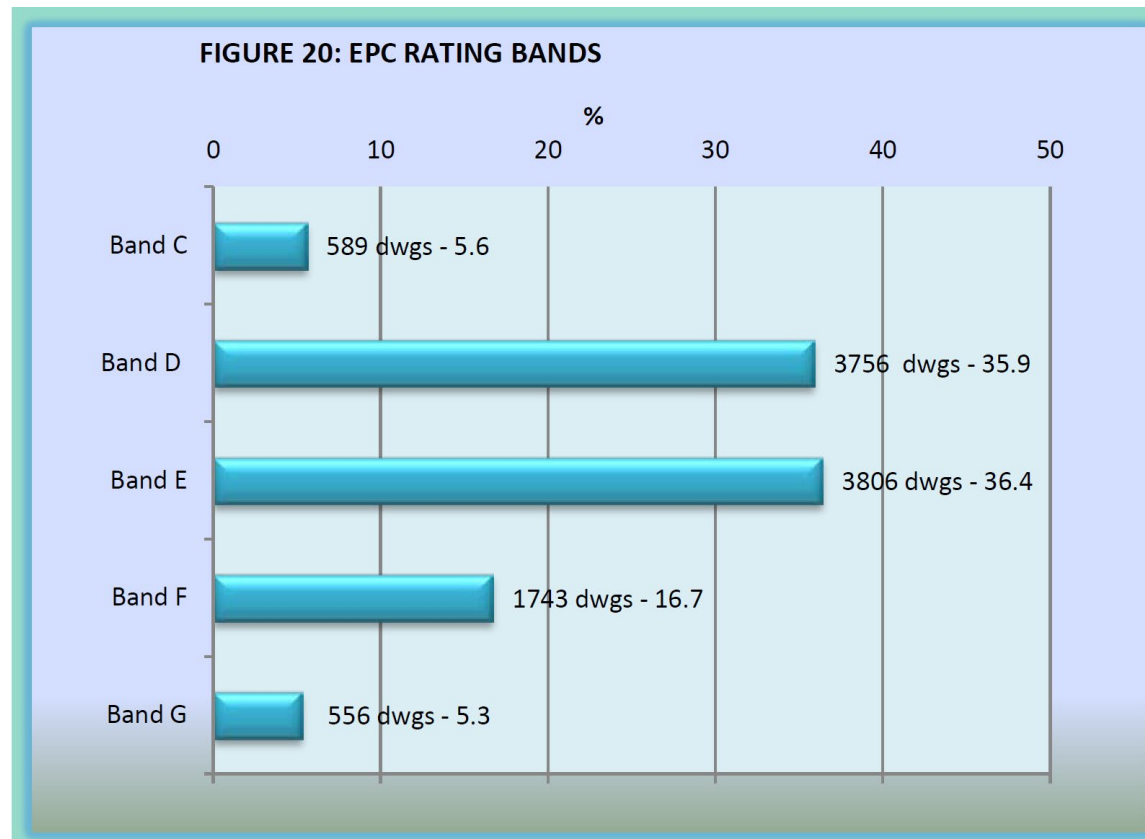
- Insulated walls
- Insulated roof
- Energy efficient non oil heating system (usually)
- Double glazing
- Reasonably airtight home

Probable requirements

- Solar panels (PV or Thermal)
- Underfloor insulation
- Low energy lighting
- Heat pump heating system

Private Sector House Condition Survey 2016 Comhairle nan Eilean Siar

62% of homes in Scotland that are owner-occupied, only 38% have an Energy Performance Certificate rating of C or above.



10% C or above!

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

What are your views on the “fabric first” approach as described above?

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

Please give your reasons, whether you agree or disagree.

If the home being sold was not already at the standard, and the seller could not, or did not want to, upgrade it before selling, we propose that the legal obligation to meet the standard would fall on the buyer. This would have to be reflected in the conveyancing process. The buyer would then have a set time limit (say 12 months) in which to bring the home up to meet the standard, and demonstrate this by submitting a new Energy Performance Certificate.

We propose that the main point at which a home would have to meet the standard would be when it changes ownership – at “point of sale”. When a home is sold or transferred to a new owner.

We expect that market forces would mean that the sale price and/or the property valuation would reflect the extra effort and cost for the buyer, who would have to bring the property up to the standard.

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

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?

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

In previous consultations, you have told us that the time when a homeowner is about to undertake a major refurbishment would be an appropriate time to apply an energy efficiency requirement. So we are exploring the possibility of making “point of major renovation” another trigger point which would apply in addition to the point of sale trigger.

A major renovation may be a sensible moment to take action on energy efficiency because disruption will be happening anyway within the property. It may also help to encourage mainstream construction trades to bring energy efficiency measures and awareness more fully into their standard skill set and range of services offered.

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

In some cases, it will not be possible for a home to reach EPC C. This could be because there are **not enough improvement measures which are technically suitable for that type of property**, or the measures exist but are **disproportionately expensive**.

Work has been ongoing to create an assessment process which will give bespoke information to a homeowner about what can be done to their specific property. This assessment will help to determine what is technically feasible, and what measures would bring the property up to the standard (and beyond, if the homeowner chooses to improve their home to an even higher standard).

When the trigger point is reached and the standard cannot be met because it is either not technically feasible or not cost effective, we propose that the homeowner should be able to apply for a full or partial exemption from the legal requirement to meet the standard.

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?

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?

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



Home Equity Loans – available via TIG

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 views.

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

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)