

# **Energy Efficiency & Microgeneration**

**CIH in Scotland consultation response to:**

**– Achieving a low carbon future - A Strategy for Scotland**

June 2007

## **Introduction**

The Chartered Institute of Housing in Scotland (CIH) welcomes the opportunity to comment on the Scottish Executive's consultation on a strategy for achieving a low carbon future. We recognise that the quality and standards of where people live and the process of providing housing can make a valuable contribution to minimising the impact we make on the environment. With regard to efforts in England, the CIH has already demonstrated a corporate commitment to climate change by signing the Green Alliance 'agenda'<sup>1</sup>. We also publish a range of good practice guidance, highlighting climate change issues, which help inform our members and others in the housing profession and provide them with tools to rise to the challenge.

This response will mainly refer to the aspects of the consultation in respect of housing's impact but we are also taking this opportunity to comment on wider policy areas where appropriate.

## **Specific Comments**

The CIH considers that the draft strategy is a comprehensive document that provides a good basis for further policy development and guidance in this area. Considering low carbon initiatives as part of a whole system approach is essential in delivering greater fuel efficiency and reducing overall emissions. The incremental approach taken to developing initiatives from improvements in individual energy saving to larger microgeneration opportunities highlights that action is required on all levels. It also emphasises that there is wide ranging responsibility for making a difference from individuals to organisations and communities as a whole.

Educating the industry, suppliers, consumers and future consumers is a fundamental aspect to any strategy to achieving a low carbon future. Such changes of attitude have to be tackled on a variety of fronts. The CIH welcomes the steps the Scottish Executive are taking to change the views of householders, businesses and schools to stress the importance of energy efficiency and low carbon initiatives, as well as providing information and advice about how such measures can be achieved.

In considering what targets may be established it would be useful to consider aspects of the English Zero Carbon proposals and consider aspirational targets designed at challenging the whole building industry to achieve greater energy efficiency as well as sourcing and use of resources. While the strategy rightly highlights the impact that architecture and planning have on the provision of new buildings, the proposed introduction of

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<sup>1</sup> Collins J, 2006, *Housing a Low Carbon Society: An ODPM leadership agenda on climate change*, Green Alliance available at [http://www.green-alliance.org.uk/grea\\_p.aspx?id=322](http://www.green-alliance.org.uk/grea_p.aspx?id=322)

a new Scottish Building Regulation incorporating minimum energy efficiency standards would benefit from ensuring that the standards are demanding.

Recent news items have highlighted the market worth of energy efficient and eco-homes and while more expensive to develop and purchase, proving very popular with buyers. In terms of the delivery of affordable homes, there is potential to try to achieve greater numbers of homes by cutting back on design and energy efficiency provisions. While the CIH and others are calling for 30,000 new affordable rented homes during the next spending cycle we wish to ensure that sufficient measures are in place to ensure longer term sustainability within the development of these much needed homes. Encouraging developers and suppliers of materials, for both domestic and commercial properties, to aspire to higher standards of energy efficiency in developing and running buildings, could prove to be a strong marketing tool for their products. However, we recognise that there will be a need to make provisions for a lower, more achievable standard in the early years of the strategy, while service providers and manufacturers catch up with this emerging market. The CIH is already engaged in a cross sector forum including architects, developers and housing providers to consider what can be done to promote energy efficient initiatives more widely within the industry and are keen to develop this approach across the whole of the UK, disseminating good practice across a wider area.

The technology already exists to build zero carbon homes and there are many new developments across the UK that demonstrates this. However, when a home begins to draw energy from the national grid, it establishes a carbon footprint, unless the owner sources their electricity from a renewable energy company. While the strategy indicates the possibility of developing microgeneration schemes, the CIH is keen to ensure that future energy policies are closely aligned with the energy efficiency agenda.

The CIH are currently developing a policy position following on from our earlier published discussion "The Future of Social Renting Housing"<sup>2</sup> that indicates that social economy initiatives could present a considerable benefit to the sustainability of social rented housing and the communities they serve. Specifically in respect of community generation schemes, we believe that community based energy production initiatives could provide a wider benefit. Not only could renewable energy production via such schemes reduce carbon usage, they could also provide potential economic advantages for the community as a whole. We believe that initiative such as the award winning biomass district heating system in Lochgilphead in Argyll & Bute which consists of a Energy Centre (the boiler house and fuel storage) and a network of four underground heating circuits delivering metered hot water to 51 properties should be promoted with additional funding where feasible to speed the uptake of such initiatives. Community generation schemes such as

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<sup>2</sup> (2006) Discussion paper available at <http://www.cih.org/scotland/policy/future-social-renting.pdf>. The Policy position will be published late July.

the Ghia wind turbines are also helping to fund new affordable housing which clearly demonstrates the benefits of community empowerment and how the ownership of resources can provide greater benefits to the community in addition to fuel efficiency.

The long term success of such schemes has yet to be proved in the UK but if we look to Northern Europe considerable community benefits can be realised. 90% of energy production in Helsinki, Finland and 50% of production in Denmark is already decentralised. Such achievements can only be realised through successful partnership agreements and a commitment to achieving shared goals. This strategy has the potential to provide this focus and we would urge the Scottish Executive to provide financial incentive to housing developers, both social and private sector to make more use of community microgeneration schemes.

Specifically in relation to Scotland's housing stock, the CIH has serious concerns about the inefficiency of existing housing stock. This is the case for both social rented and private stock.

At present social rented stock makes up approximately 25% of the total housing stock in Scotland and the Scottish Housing Quality Standard to be reached by 2015 will tackle a number of housing quality issues along with energy efficiency. The CIH would like to see higher SAP and NEHR ratings in the standard to encourage further improvements but appreciate that there is a significant amount of money being spent already on homes that will never be energy efficient. Social rented tenants are amongst the most financially vulnerable and therefore more likely to suffer from fuel poverty. Of the various methods available to tackle fuel poverty, improving energy efficiency in the social rented sector is the one area that the Scottish Executive could have the biggest impact. While the strategy indicates that the Scottish Executive will report on the progress being made in respect of the energy efficiency aspects of the standard, we would ask the Scottish Executive to use the report as the basis of a review in order to consider extending the standard where it is possible to do so as a way of achieving the fuel poverty target set by the Scottish Executive.

Within the private rented sector, the Housing (Scotland) Act 2006 introduced a repairing standard for private landlords. While the CIH recognises the standard is generally supported in principle by private landlords and their representatives, we see an opportunity to consider introducing energy efficiency standards to this sector at some point in the future. Once the repairing standard has had the opportunity to bed in, the Scottish Executive should review the initiative to consider the impact that the standard has already had on energy efficiency with a view to incorporating a specific energy efficiency standard. Such a standard could be included as a basic component of the minimum conditions of repair that private tenants could expect in the future.

Fuel poverty and energy efficiency are still a concern in the owner occupied market. In order to meet the principles contained within the strategy the CIH would propose that, with the merging of the Private Sector Housing Grant into the 'scheme of assistance' (being established by the Housing (Scotland) Act 2006), consideration is given to potentially using the scheme as a means of targeting help to poorer owner occupiers to improve the energy efficiency of their homes. This could contribute to meeting the fuel poverty target as well as reducing the carbon footprint of households in poorly insulated properties.

## **Conclusion**

The strategic approach outlined in the consultation draft is to be commended as a positive step towards achieving a low carbon future for Scotland. It recognises a significant culture and attitude shift required and also indicates a range of initial proposed steps towards making this possible. There is already a good deal of work within the housing field and the CIH are keen to work with the Scottish Executive and other agencies to ensure that best practice is disseminated fully to ensure an incremental progression towards excellence in energy efficiency and carbon neutrality.

### **The Chartered Institute of Housing in Scotland**

The Chartered Institute of Housing is the professional body for people in housing and related fields. The Institute has over 20,000 members in the UK and internationally. Our purpose is to maximise the contribution that housing professionals make to the wellbeing of communities. There are over 2,000 members in Scotland working in local authorities, housing associations, housing co-operatives, Communities Scotland, voluntary organisations, the private sector, educational institutions and the Rent Registration Service. The CIH aims to ensure members are equipped to do their job by working to improve practice and delivery. We also represent the interests of our members in the development of strategic and national housing policy.

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## **RESPONDENT INFORMATION FORM: Energy Efficiency and Microgeneration Strategy**

Please complete the details below and return it with your response. This will help ensure we handle your response appropriately. Thank you for your help.

Name: Lyn Jardine

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1. Are you responding: (please tick one box)  
(a) as an individual (go to Q2a/b and then Q4)  
(b) on behalf of a group/organisation (go to Q3 and then Q4)✓

### **INDIVIDUALS**

2a. Do you agree to your response being made available to the public (in Scottish Executive library and/or on the Scottish Executive website)?

Yes (go to 2b below) ✓  
No, not at all (We will treat your response as confidential).

2b. Where confidentiality is not requested, we will make your response available to the public on the following basis (please tick one of the following boxes):

Yes, make my response, name and address all available ✓  
Yes, make my response available, but not my name or address  
Yes, make my response and name available, but not my address

### **ON BEHALF OF GROUPS OR ORGANISATIONS:**

3 The name and address of your organisation **will be** made available to the public (in the Scottish Executive library and/or on the Scottish Executive website). Are you also content for your **response** to be made available?

Yes ✓  
No (We will treat your response as confidential)

### **SHARING RESPONSES/FUTURE ENGAGEMENT**

4 We will share your response internally with other Scottish Executive policy teams who may be addressing the issues you discuss. They may wish to contact you again in the future, but we require your permission to do so. Are you content for the Scottish Executive to contact you again in the future in relation to this consultation response?

Yes ✓  
No