Climate Change (Emissions Reduction Targets) (Scotland) Bill

Letter from East Lothian on the Climate Change (Scotland) Act 2009: Use of Energy Efficient Discount Schemes

Climate Change Act 2009 – Use of Energy Efficiency Discount Schemes

I am writing in response to your letter dated 29 June 2018, in which you request information on how local authorities have complied with the duty to establish energy efficiency discount schemes (Section 65 of the 2009 Act) and to offer discounts on non-domestic rates for energy efficiency measures (Section 67 of the 2009 Act). The letter seeks to ascertain how local authorities have implemented these provisions, with specific regard to details of schemes running, uptake of opportunity and evaluation / review of the success of the schemes. A response on behalf of East Lothian Council is set out as follows:

Energy Efficiency Discount Schemes (Section 65 of the 2009 Act)

- **Details of the schemes running in East Lothian**
  In accordance with the Climate Change Act 2009, East Lothian Council established a ‘council tax energy efficiency discount scheme’ in July 2010, working in partnership with British Gas. The scheme provided a council tax discount of £70 to private owners, who could evidence making energy efficiency improvements to their homes. British Gas already had a suitable scheme in operation prior to 2010 in other parts of the UK, which provided funding for a discount to those households that purchased energy efficiency works such as loft and wall insulation, through suppliers contracted to British Gas. Working within that arrangement enabled the efficient introduction of a scheme that local residents could access, with measures put in place for households that could not afford to fund such works. Working in partnership increased assurance for the Council that discounts provided were for genuine energy efficiency improvements of an appropriate quality. The cost of the council tax discount was funded by British Gas, which meant the scheme did not require Council finance.

  For each completed improvement, British Gas paid the Council £75 and East Lothian Council retained £5 as an administration fee. This covered the costs incurred by the Council for set up and administration. There was therefore a corresponding council tax discount to householders of £70 as a one-off reduction in the tax due for the year in which the works were completed. In accordance with the scheme, the cost for private owners at this time was £250 for cavity wall insulation and £274 for loft insulation, with a subsequent £70 discount for owners (which the Council reclaimed from British Gas).

- **Uptake of the opportunity offered by the schemes**
  £3,010 of energy efficiency measures were installed in accordance with the scheme for 57 households between July 2010 and April 2012.

- **Evaluation and review of the success of the schemes**
  The East Lothian Council scheme ceased to operate in April 2012. Alternatives to the council tax energy efficiency discount scheme emerged in line with the Climate Change Act 2009, with the Universal Home Insulation Scheme (UHIS) in particular
providing a better deal for households. Given this, referrals to the council tax energy efficiency discount scheme i.e. by the Energy Saving Scotland Advice Centre / Home Energy Scotland ceased and households were advised to look elsewhere to make higher savings. With CERT coming to an end, it became difficult for local authorities to enter into / extend initial agreements with suppliers to deliver a scheme and a suitable alternative to funding council tax discount schemes was not found in East Lothian.

Since the scheme ended, East Lothian Council has continued to fund the delivery of a county wide energy efficiency advice service, through Changeworks, which refers customers to a wide range of schemes now available, depending on eligibility criteria. The Council Tax Team initially signposted energy efficiency advice within the annual statutory Council Tax and Spending Booklet, distributed to residents across the county. A leaflet is no longer produced and instead, information is available on the East Lothian Council website to increase awareness in relation to the availability of income maximisation checks and free, impartial and expert advice to reduce fuel bills, with links to information on energy efficiency measures.

https://www.eastlothian.gov.uk/info/210551/helping_you_stay_in_your_home/11871/fuel_billing_advice_-energy_efficiency/2

**Discounts on non-domestic rates for energy efficiency measures (Section 67 of the 2009 Act)**

East Lothian Council has not implemented a discount on non-domestic rates for energy efficiency measures.