

Environment, Climate Change and Land Reform Committee

Climate Change (Emissions Reduction Targets) (Scotland) Bill

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Response to the Scottish Parliament's draft "Climate Change (Emissions Reduction Targets) (Scotland) Bill", August 2018

We are happy for our response to be published with our names, and for Scottish Parliament to contact us.

This response focuses on the draft Bill's introduction of a more ambitious target of 90% emissions reduction by 2050, and the associated interim targets of:

- 56% lower than the baseline by 2020;
- 66% lower than the baseline by 2030;
- 78% lower than the baseline by 2040.

Achieving emissions reductions in the built environment is central to achieving overall climate change targets. The Energy Efficient Scotland programme will be a critical contribution to achieving the more ambitious emissions reduction targets identified in the draft Climate Change Bill. As such, the following response focuses on some of the core messages detailed in our response to the Scottish Government's July 2018 Energy Efficient Scotland consultation, which is available at:

<https://heatandthecity.org.uk/project/scotlands-energy-efficiency-programme-seep-pilot-evaluation/>

If Scottish Parliament are seeking to increase the targets to 90% it will be essential for efforts across all sectors to mirror this ambition. Despite this, the targets set out for the built environment in the draft Energy Efficient Scotland programme remain moderate. In particular, the Energy Efficient Scotland consultation document proposed a long-term domestic standard EPC (Energy Performance Certificate) Energy Efficiency Rating Band C by 2040 for owner occupied and privately rented properties. This is a distant date for achieving EPC C, especially given that the median cost of retrofitting each home is £3,500 and approximately 40% of homes are already EPC C rating. EPC C still leaves significant space for emissions and will not support the 90% reduction emission or proposal for the subsequent net-zero target.

The Energy Efficient Scotland consultation also outlined a target for fuel poor households to be EPC B by 2040. For the proposed suggestions in the Climate Change Bill to be viable, more ambitious action in improving the energy performance of buildings is required. If properties are receiving intervention, then they should be brought to EPC A or as near-to-zero as possible as soon as possible, to save additional works at a later point. This is essential for heading towards a Net Zero Emissions target in the future. Following wide uptake of the HEEPS ABS programme across Local Authorities, it will be necessary for Energy Efficient Scotland works to move into more mixed socio-economic areas that still include fuel poor households. It will become increasingly important to think about how to support households financially if their area does not qualify for HEEPS ABS funding under the current criteria (Bush et al., forthcoming). Local Authorities may need to be supported in targeting works to these occupants – for example through maintaining up-to-date fuel poverty information and mapping and ensuring that Local Authorities have the skills and capacity to interact with these. Further, households move around; it is important that we consider how to support fuel poor households alongside treating the building that they happen to be residing in at the time of a programme.

Further, these standards must be mandated from the mid-2020s in order for the interim targets set out in the draft Climate Change Bill to be feasible. Energy performance improvements in buildings are currently running at a much lower rate than required to achieve 2030 targets, let alone those proposed for 2050. This means that more needs to be done faster than building owners or the existing supply chain will do without market intervention (Webb, 2016: 4). Government needs to communicate and support forthcoming standards now. This is critical for increasing the rate of retrofit by property owners and to catalyse workforce up-skilling and professionalisation of the building and heat supply trades. In particular, tradespeople and supply chains have been identified as notoriously slow to adapt (Bowden et al., 2012; Killip, 2013). An illustrative example is the introduction of condensing boilers, which were supported with the introduction of grants over a decade ahead of the introduction of the mandatory standard. The availability of such grants was increased and the future standard announced well ahead of its introduction (Killip, 2011: 26). This faster action will support market innovation in materials, work processes and supply chains. It is essential that new targets and subsequent regulations are supported with mandatory action. The value of energy efficiency upgrades has been discussed since at least the 1970s. Voluntary action by building owners continues to be slow and uneven. The construction and retrofitting industry is fragmented, and supply chains are inadequate.

New standards will make action a necessity, rather than an optional extra; it is important to introduce them early in order to raise awareness amongst households and readiness within the supply chain. A clear end target needs to be set and advertised now, so that everyone is aware of what they are working towards. Any phased regulations need to clearly be working towards this target and Government needs to be more ambitious now, working towards A-rated and near-zero carbon homes across all sectors in order to provide clear messaging for the types of activity expected and build momentum within markets and supply chains for 2040 and 2050 goals.

With regard to the enforcement of such standards, at a national level, Scottish Government need to provide a clear remit for Local Authorities to understand their roles and responsibilities in the delivery of Energy Efficient Scotland, and to follow this up with appropriate resources. This is essential for helping local authorities to develop appropriate staffing levels and skills to take on larger and more complicated projects. From the social evaluation of the Energy Efficient Scotland pilots (Bush et al., 2018), it also became apparent that there is a lack of data to inform Local Authorities' retrofitting strategies, for example, EPCs being out of date or inaccurate. National support is required for developing and maintaining a database of sufficiently detailed and accurate building information. This will be critical for monitoring progress towards the long-term domestic standard.

Knowledge about current legislation is uneven; social housing providers and local authorities are likely to be most aware of the range of powers and duties. It would be beneficial to launch Energy Efficient Scotland with concise guides to current legislation for the different property sectors. Further, it is critical that such guides are made available to members of the supply chain involved in delivering retrofit; for example assessors, advisors, and installers need to be aware of the most up-to-date legislation. This will involve engaging with actors across the supply chain (see Wade, Shipworth, and Hitchings, 2016 for examples of how such engagement might take place) to ensure that messages are filtered to all actors working in this space.

Further, legislation also needs to be systematically enforced through a unitary system, with independent assessors. A key institution for ensuring compliance is re-trained and reinforced local Building Control Officers. A single system with independent assessors will help to minimise corrupt practice, poor quality work and distrust by buyers (Webb, 2016). There is also a need to think carefully about the training, skills, and accreditation of assessors. There is a subsequent need to ensure that the expansion of Local Authority Building Control expertise and capacity is adequately supported at a national level. Consistent and prominent political support will be critical to the effectiveness of Energy Efficient Scotland, and the associated proposed amendments to the Climate Change Bill.

References

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