Homes for Scotland (HFS) is the voice of the home building industry in Scotland, representing some 200 organisations who together support the delivery of around 95% of all new homes built for sale each year as well as a significant proportion of affordable housing.

HFS welcomes the opportunity to respond to the Local Government and Communities Committee's in support of its scrutiny of the Fuel Poverty (Target, Definition and Strategy) (Scotland) Bill. We recognise that fuel poverty can affect a wide range of demographics, regardless of housing tenure and that causal factors such as household income, energy costs, and energy use (including behaviours and attitudes towards energy conservation) must be addressed if the Scottish Government is to meet the goals outlined in the Bill. We also agree that the final identified ‘driver’ of fuel poverty, energy-efficiency, is an aspect that must be addressed to achieve fuel poverty targets as well as meet wider climate change commitments.

The Bill’s aspiration aligns neatly with existing climate change and energy-efficiency commitments. We understand that provisions are already in place to drive-up energy-efficiency standards within the social and private rented housing sector and that Building Standards have already driven significant improvements in the efficiency of new build homes. To eradicate fuel poverty, as well as meet wider energy-efficiency aspirations, we estimate that around 2 million homes will require some form of energy efficiency measure by 2050 to uplift energy-efficiency ratings to a band C or above. It goes without saying that this will likely require a significant amount of public and private investment, as well as individuals and families to prioritise this investment over other expenditure. With it understood that the payback for such interventions would be over an extended period of time, this could mean that those making energy-efficiency improvements may be no better off over the short-term from having undertaken this form of improvement.

Whilst addressing the energy performance of the existing housing stock will go some way in meeting the Bill’s challenging targets (as well as wider government aspirations), it is clear that new build housing can also play a significant role. Research undertaken by HFS, utilising sample EPC data across a range of new house types, indicated that homes constructed to 2010 and 2015 standards had an average energy-efficiency rating of a band B and average estimated energy cost roughly one third of the national average energy bill (this research has previously been shared with this committee).

We believe that the delivery of new, highly energy-efficient new homes can help support the government to meet the targets set within this Bill, and additionally deliver wider social and economic benefit to Scotland. With housing demand
outstripping supply across many of Scotland’s regions, supporting the delivery of new housing, across all tenures, will also help ensure that individuals or families can access suitable housing in the first instance.

In that context, HFS would be keen for the Bill to recognise the positive impact the delivery of more new homes could have in helping meet its targets.