



Date: 27/10/2022

Elmhurst Energy's response to:

Net Zero Review - Call for Evidence

Prepared for: BEIS



Introduction

Elmhurst Energy are pleased that BEIS are seeking a call for evidence on the Net Zero Review and as such we are delighted to respond to each question in turn.

The Call for Evidence asked 30 questions and we have answered where relevant below. We hope you find the responses considered and useful for taking Energy Efficient and Net Zero forward in a progressive manner.

Questions and Answers

Overarching questions

1. How does net zero enable us to meet our economic growth target of 2.5% a year?

Net zero targets are vital for the UK's move towards phasing out fossil fuels and electrification of buildings. With sustained programmes on retrofitting our existing housing and building stock, we can not only help reduce our dependence on fossil fuels and improve fuel security but also ensure that we solve fuel poverty issues. By reducing carbon emissions and improving energy efficiency in homes and businesses, it can lead to more disposable income within the economy. Furthermore, the demand for retrofitting and being heat pump ready has never been more important.

Improving energy efficiency of homes and buildings is very much part of the future of the UK's sustainable economy.



2. What challenges and obstacles have you identified to decarbonisation?

Regulation can assist in the move to net zero. Minimum Energy Efficiency Standards (MEES) has resulted in the energy efficiency of homes and buildings in the private rental sector being greatly improved. Government should look to use the Energy Performance Certificate (EPC) as a tool for regulating carbon emissions in homes. Utilising the EPC has been proven to assist in making scaled changes to building stocks. Further regulation, standards and incentives for improving EPC ratings will be a vital part of achieving our Net Zero goals.

Government policies are often short lived, once a policy is introduced is should have an adequate lifespan to allow homes and buildings to be improved on a longer term basis in line with new technologies.

In respect to buildings, specifically existing buildings, challenges remain around how to transition to low or zero carbon heating systems. The technological, economic challenges around moving away from traditional fossil fuel heating currently remain. We urge government to follow a fabric first approach to improving buildings using PAS 2035. An industry backed standard for retrofitting of homes.

The challenge of mass retrofit requires investment in training individuals and providing funding opportunities to home owners and businesses. It is not acceptable to simply expect people to take up measures to reduce carbon emissions.

Little and often uplifts and improvement to building regulations for new build properties is a must. New builds can lead the way in ensuring the bar is set when moving to Net Zero.

3. What opportunities are there for new/amended measures to stimulate or facilitate the transition to net zero in a way that is pro-growth and/or probusiness?

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4. What more could government do to support businesses, consumers and other actors to decarbonise?

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A national programme to improve buildings could create many jobs in the Retrofit sector, which is both pro-growth and pro-business. Increasing funding to home owners and commercial property owners to decarbonise their buildings will be vital for making the greatest impact towards net zero.

Introducing Minimum Energy Efficiency Standards (MEES) for all UK homes and buildings would assist in the improvement of energy efficiency and decarbonising the UK stock. This has proven very successful in the private rental sector with an increase in properties moving from F and G ratings to more A, B, C and D ratings. On a commercial sector, this directly impacts the decarbonisation and net zero agenda as the commercial EPC is based on carbon emissions. MEES has developed to be self-regulating by resulting in lenders, bankers and agents ensuring E ratings are met.

Finally, public awareness of building assessments and the use of competent and qualified persons to assess buildings and provide recommendations should be prioritised.

5. Where and in what areas of policy focus could net zero be achieved in a more economically efficient manner?

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6. How should we balance our priorities to maintaining energy security with our commitments to delivering net zero by 2050?

By generating our own renewable energy would improve energy security and also help deliver net zero.

7. What export opportunities does the transition to net zero present for the UK economy or UK businesses?

No strong opinions

Questions for businesses

8. What growth benefits/opportunities have you had, or do you envisage having, from the net zero transition?

The production of Energy Performance Certificates (EPC) and regular revision to Building Regulations has seen the energy efficiency and energy assessment industry grow substantially over the past twenty years. We see EPCs as fundamental to assisting our net zero transition, by giving building owners and occupants an insight into how their building is performing and what steps can be taken to improve it.

"You can't manage what you don't measure"

This services is now something provided by over 10,000 energy assessors around the UK. Our members are a vital part in getting people out of fuel poverty, meeting Government net zero agenda and improving the global climate environment. Energy assessment has never been more important than it is right now!

The net zero agenda has driven a growth in building measurement and understanding of energy efficiency, carbon emissions and energy costs. We have



seem vast improvements in competent people providing accurate assessments and advice. Innovation in measurement technology such as "Measured Energy Performance (HTC)" and Pulse airtightness testing procedure, both of which will have an impact in providing jobs and ensuring the building stock if fit for the future.

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We have seen improvements in quality of retrofitting of buildings since the adoption of PAS 2035 and would encourage Government to continue to endorse qualified and competent people in all areas of building assessment, net zero and regulations. The use of competency schemes and competency qualified people will ensure the consumer gets the best possible outcome.

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9. What barriers do you face in decarbonising your business and its operations?

No strong opinion

10. Looking at the international market in your sector, what green opportunities seem to be nascent or growing?

No strong opinion



11. What challenges has the net zero transition presented to your business?

Net zero has driven an increase in activity of energy assessments and raised awareness of Energy Performance Certificates (EPC). With the current fuel crisis homeowners are keen to act on recommendations provided by our members to improve the energy efficiency of their homes.

12. What impacts have changing consumer choices/demand had on your business?

In general the impact has been very positive – our members have seen an increase in demand for energy assessments as homeowners and commercial building owners are keen to understand what improvements can be made to their properties to reduce costs, carbon and energy used.

13. What impacts have decarbonisation/net zero measures had on your business?

In general the impact has been very positive – our members have seen an increase in demand for energy assessments as homeowners and commercial building owners are keen to understand what improvements can be made to their properties to reduce costs, carbon and energy used.

14. What more could be done to support your business and/or sector to decarbonise?

A stable, long term plan to decarbonise buildings, with a national programme to retrofit existing buildings improving their energy efficiency and thus reducing heating demand. Previous programmes have been too complicated and/or too short term (e.g. Green Deal, Feed in Tariff) for the industry to have confidence in them.

Continued investment in the EPC. Making it more reflective of the current climate and latest technologies.

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15. Do you foresee a role for your business within an expanded UK supply of heat pumps, energy efficiency, electric vehicles, hydrogen economy or clean power?

Yes the Energy Performance Certificates (EPCs) our members produce should be adapted to provide much more information to occupants on these technologies and encourage the switch to low/zero carbon heating. Continued investment in EPCs is vital for scaled improvement to our building stock in the UK.



Our members have vast experience and knowledge of building performance and assessment. Their skills should be utilised to aid the transition of buildings to net zero.

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16. For clean power industry: what barriers to entry have you found in deploying new plant and technologies?

No strong opinion.

17. How many green jobs do you estimate will be created in your sector by 2030?

It is very difficult to estimate. Climate change, fuel poverty, fuel security and net zero of major concerns for our generation and generations to come. Energy assessment of buildings using Government approved scalable tools such as EPCs is a vital part of the future. We expect a demand for this to continue to grow with the EPC providing more functionality and other services of building measurement along the way.

Questions for academia and innovators

29. How can we ensure that we seize the benefits from future innovation and technologies?

Elmhurst have over 30 years' experience in the energy assessment industry and have worked closely with government on a number of policies. This year we created the Elmhurst Almanac detailing what we believe should be delivered for the coming years. Please click here for the full details.

We have also shared our own views and vision for the future within our 10 priority actions. We will continue to champion these actions whenever we engage with government and key industry stakeholders moving forward. A summary is provided below:

- 1. Redesign energy certificates We want to see EPCs giving equal focus to energy consumption, cost and carbon emissions.
- 2. Use the Golden triangle to inform decision-making We need to bring a building's Asset Rating, Occupancy Rating, and Energy Consumption together in a coordinated way in order to inform decisions at a local and national scale.



- 3. Ensure all energy certificates reflect the current state of the property The 10 year validity period is too long. We say that Energy Certificates should never be older than 3 years and should be re-issued whenever there is a change to the building which impacts its energy performance.
- 4. Improve Display Energy Certificates (DECs) and implement them in the private sector Lack of investment, and a dependence on 'free' government software, has meant that the methodology behind DECs has not been updated in over 10 years. This needs to change.
- 5. Don't ignore energy used to cool buildings It is time to expand and update the methodologies to have a year-round approach to energy performance, especially as the climate around us changes.
- 6. Change the funding mechanism in ECO so that it supports the whole house retrofit approach- The funding has to move to upfront assessments and planning to ensure the right measures go in the right order for the good of the occupiers.
- 7. Use energy assessors to support the introduction of renewable technology-Government and industry should utilise the skills and knowledge of accredited energy assessors to communicate the benefits of renewable technology to homeowners and then support installers with a cost effective and time efficient process for assessing a property's suitability
- 8. Rebalance the tax applied to low emission fuels and fossil fuels to make heat pumps the right option for both the environment and financially- now is the time to rebalance the tax applied to low emission fuels and fossil fuels, to make heat pumps more attractive.
- 9. Measure energy performance to validate retrofit strategies- Using existing measurement technology, such as Elmhurst's Measured Energy Performance, government can create a feedback loop to test the assumptions that the methodologies use and, where there are significant quantifiable differences, to employ other building evaluation measurements techniques to establish why.
- 10. Implement a single national framework for lifecycle analysis and Net Zero- We should be using accredited carbon assessors to confirm that emissions at each stage of a building's lifecycle (from design, construction, use, through to end of life) are measured correctly and that any mitigating actions, such as carbon offsetting, are delivered.



30. Is there a policy idea that will help us reach net zero you think we should consider as part of the review?

Please refer to our answer in question 29.



Contact Details

Should you require any further clarification please contact us at:







