

**Final
Response**



Consultation Response

**Delivering net zero for Scotland's
buildings – Hear in Buildings Bill:
consultation**

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1. Introduction

Elmhurst Energy are pleased that Scottish Government are seeking a Consultation on 'Delivering net zero for Scotland's buildings – Hear in Buildings Bill' and as such we are delighted to respond to each question in turn.

In summary;

- The EPC should be used as the tool to drive/measure the minimum energy efficiency standard.
- A consistent approach should be used for minimum energy efficiency standards across the UK.
- Exemptions should not apply to property/business type. However we agree in certain circumstances property owners should be allowed more time to install improvements.

The Consultation asked 28 questions and we have answered them all below. We hope you find the responses considered and useful for taking 'Delivering net zero for Scotland's buildings – Hear in Buildings Bill' forward in a progressive manner.

2. Questions and Answers

Questions on Chapter 2 - The Heat in Buildings Standard

Q1. To what extent do you support our proposal to prohibit the use of polluting heating systems in all buildings after 2045?

Strongly support

Somewhat support

Neither support nor oppose

Somewhat oppose

Strongly oppose

Don't know

Please include any additional comments below.

This must be done in the right way by taking a fabric first approach (by using the Retrofit standard). Insulating our homes and buildings will ensure heat is retained better. Without this approach any clean heating system will take longer to heat the home/building becoming less efficient.

There is also the issue of green levies which are applied to any carbon-busting heating system that runs on electricity such as heat pumps. These taxes need to be rebalanced so these heating systems are more attractive financially to consumers.

Q2. To what extent do you agree that we should introduce a minimum energy efficiency standard to be met by private sector landlords by the end of 2028 (even if they are already using clean heating)?

Strongly support

Somewhat support

Neither support nor oppose

Somewhat oppose

Strongly oppose

Don't know

Please include any additional comments below.

Homes within the private rental sector are some of the worst performing in terms of energy efficiency across the UK. Elmhurst support the introduction of a minimum energy efficiency standard however this needs to be measurable. The UK government have adopted the EPC as the tool to do this and our suggestion would be to base the standard around the EPC.

England and Wales introduced MEES in 2018 and was implemented in phases. This standard is based on the EPCs energy efficiency rating where an F or G rated home cannot be let. Elmhurst would like to see a consistent approach across the UK. Giving landlords time to adapt to the new standards is paramount as a hard deadline may result in landlords leaving the PRS, resulting in fewer homes being available to tenants.

Q3. To what extent do you agree that we should introduce a minimum energy efficiency standard to be met in owner occupied homes (which still have a polluting heating system) by the end of 2033?

Strongly support

Somewhat support

Neither support nor oppose

Somewhat oppose

Strongly oppose

Don't know

Please include any additional comments below.

While introducing a minimum energy efficiency standard for owner-occupied homes with polluting heating systems by 2033 can help address climate change and promote sustainable development, it's crucial to balance environmental goals with economic considerations and social equity concerns. Government should engage stakeholders, including homeowners, and industry representatives to develop effective and inclusive policies that drive meaningful change while minimising adverse impacts on vulnerable populations.

Elmhurst support the introduction of a minimum energy efficiency standard however this needs to be measurable and how a home meets the minimum standard would need to be publicly visible e.g. by using the EPC as the tool to drive it.

Q4. Do you agree with our proposal to set a minimum energy efficiency standard that can be met by either installing a straightforward list of measures, or showing a good level of energy efficiency based on a reformed EPC fabric efficiency metric?

Strongly support

Somewhat support

Neither support nor oppose

Somewhat oppose

Strongly oppose

Don't know

Please include any additional comments below.

Elmhurst agree with the proposal but the EPC should be used as the tool to measure whether the standard has been met. Ideally we would prefer the UK has a consistent approach to the minimum energy efficiency standard this could be based on the A-G rating (how it is currently in England & Wales) or on a new fabric metric.

Q5. What is your view on the initial proposed list of measures to meet the minimum energy efficiency standard?

Strongly support

Somewhat support

Neither support nor oppose

Somewhat oppose

Strongly oppose

Don't know

Please include any additional comments below.

Elmhurst understand that the proposed list of measures are low cost measures but how a home owner meets the minimum efficiency standard should not be limited to one set list. The EPC has a range of recommendations that a homeowner can choose to implement and we believe the EPC is the most appropriate tool to measure whether a home has met the minimum standard.

Q6. Do you think that properties for which most or all of the measures on the initial proposed list are not relevant should be required to meet an equivalent minimum energy efficiency standard?

a. No – these properties should be considered compliant once they have installed all the measures that are appropriate for their building type, even if this is few or no measures.

b. Yes – they should be required to meet the standard and additional measures should be included on the list (such as solid wall insulation, solid floor insulation and flat roof insulation), and they should be required to install all of these where feasible.

c. Yes – they should be required to meet the standard and additional measures should be included on the list (such as solid wall insulation, solid floor insulation and flat roof insulation), but they should only be required to install some of these where feasible and cost effective.

d. Yes – they should be required to meet the standard and additional measures should be included on the list (such as solid wall insulation, solid floor insulation and flat roof insulation), but they should only be required to install some of these where feasible, and they should be allowed additional time to do so.

Please include any additional comments below.

The minimum efficiency standard should have a target that home owners would need to achieve, without this it would be unmeasurable. The EPC should be used as the tool to drive the standard. Homeowners should be able to see how efficient their property is and what improvement measures can be installed to reach the target to achieve the minimum efficiency standard.

Q7. Do you think that an alternative approach to setting the minimum energy efficiency standard is required?

Yes

No

Don't know

Please include any additional comments below.

Elmhurst support the introduction of a minimum energy efficiency standard however this needs to be measurable. The UK government have adopted the EPC as the tool to do this and our suggestion would be to base the standard around the EPC.

Q8. Do you agree that the use of bioenergy should continue to be permitted in certain circumstances?

- a. No, it should be prohibited in all cases.
- b. Yes, it should be permitted for those buildings already using it.
- c. Yes, it should be permitted for those buildings who have no other clean heating system available.
- d. **Yes, it should be permitted for those buildings already using it and for those buildings who have no other clean heating system available.**
- e. Yes, it should be used in wider circumstances (please describe these).

Please include any additional comments below.

Questions on Chapter 3 - Property Purchases

Q9. To what extent do you support the requirement to end the use of polluting heating following a property purchase?

Strongly support

Somewhat support

Neither support nor oppose

Somewhat oppose

Strongly oppose

Don't know

Please include any additional comments below.

Elmhurst support the requirement to end the use of polluting heating systems following a property purchase. However careful consideration must be given in how this would be rolled out as it may have negative effects on house sales. Mortgage lenders must have their input in to this so that they can ensure more green mortgage products are available. Elmhurst would prefer to see a phased approach to the introduction of such a requirement potentially basing it on size and detachment type.

Q10. We are proposing to give those purchasing a property a 'grace period' to end their use of polluting heating. Do you agree with this proposal?

- a. Yes – the grace period should be two years.
- b. **Yes – the grace period should be three years.**
- c. Yes – the grace period should be four years.
- d. Yes – the grace period should be five years.
- e. No, please provide reasons for your view.

Three years is a reasonable timeframe to upgrade the heating system within a property. This gives the property owner time to investigate what heating system is recommended on the EPC and time to install. This also aligns with Elmhurst's view that an EPC validity period should be 3 years or when there is a material change to the property.

Q11. To what extent do you support our proposal to apply a cost- cap where people are required to end their use of polluting heating following a property purchase?

Strongly support

Somewhat support

Neither support nor oppose

Somewhat oppose

Strongly oppose

Don't know

Please include any additional comments below.

Having a cost cap is a sensible approach. Without one the requirement could push potential purchasers away driving the economy down.

Q12. Which of the following methods of applying a cost-cap do you support?

- a. A flat cost-cap.
- b. A size-based cost-cap.
- c. A purchase price-based cost-cap.
- d. None.
- e. **Another, please suggest below.**

England and Wales have a cost cap for MEEs and Elmhurst would like to see a consistent approach across the UK for any minimum standards like the proposal here. Elmhurst believe having a flat cost cap which is based on the property reaching EPC band C would be the best approach. However this would require changes to the EPC and the metrics.

Q13. To what extent do you support the proposal that the Scottish Ministers should be given powers to extend the circumstances in future (beyond a property purchase) in which people could be required to end their use of polluting heating?

This could be, for example, preventing the installation of new fossil fuel boilers when replacing the heating in your home or business premises?

Strongly support

Somewhat support

Neither support nor oppose

Somewhat oppose

Strongly oppose

Don't know

Please include any additional comments below.

Questions on Chapter 4 - Connecting to Heat Networks

Q14. To what extent do you support our proposal to provide local authorities (and Scottish Ministers) with powers to require buildings within a Heat Network Zone to end their use of polluting heating systems by a given date?

Strongly support

Somewhat support

Neither support nor oppose

Somewhat oppose

Strongly oppose

Don't know

Please include any additional comments below.

Q15. To what extent do you support our proposal to provide powers to local authorities (or Scottish Ministers) that require developers to connect new buildings within Heat Network Zones to a heat network?

Strongly support

Somewhat support

Neither support nor oppose

Somewhat oppose

Strongly oppose

Don't know

Please include any additional comments below.

Q16. To what extent do you support our proposal to require occupiers of non-domestic properties to provide information about unused heat on their premises?

Strongly support

Somewhat support

Neither support nor oppose

Somewhat oppose

Strongly oppose

Don't know

Please include any additional comments below.

Elmhurst believes that this would be best practice and we also agree that there is a large amount of unused (waste heat) that is not currently being harnessed across the UK. One example of this would be in the retail sector, particularly in supermarkets. For example, supermarkets often have a lot of refrigeration appliances such as banks of fridges and freezers, there are also lots of cold storage rooms. This heat could be captured using modern heat recovery techniques that are currently underutilised across the UK. Another example of this would be server rooms/data centres, with the same justification.

Q17. To what extent do you support our proposal to potentially require buildings with unused heat to provide this to a local heat network?

Strongly support

Somewhat support

Neither support nor oppose

Somewhat oppose

Strongly oppose

Don't know

Please include any additional comments below.

Elmhurst would like to see more information from research on this subject. Utilising waste heat from local businesses in to other properties is a positive step as it would potentially reduce fuel poverty and make them more affordable.

Questions on Chapter 5 - Monitoring and Enforcement

Q18. We will need to have a way to monitor if people are meeting the Heat in Buildings Standard, and discussed two options for this. Which do you support?

- a. Submitting EPCs alone.
- b. Sampling a percentage of buildings.
- c. **A combination of the two.**
- d. None, there should be no monitoring.
- e. Another method, please suggest below or explain your selected answer.

Q19. We will need to have a way to enforce the Heat in Buildings Standard. We discussed possible options to help achieve compliance. What are your views on these ideas?

- a. I support relying on market and financial product mechanisms such as mortgages or home/ building insurance.
- b. I support extra Council Tax and Non-domestic Rates charges, in future, for those who don't comply.
- c. I support the introduction of civil penalties, in future, if compliance is not achieved.
- d. **I support a mixture of the above options.**
- e. I do not support the suggested enforcement tools, but have another suggestion (please provide below).
- f. I do not support any form of enforcement.

Q20. To what extent do you support our proposals to modify the Standard or exempt certain people from the need to meet the Heat in Buildings Standard?

Strongly support

Somewhat support

Neither support nor oppose

Somewhat oppose

Strongly oppose

Don't know

Please include any additional comments below.

Careful consideration should be given to those on lower incomes, first time buyers etc. The requirements to meet the standard must be made clear in that there are funding mechanisms available should the property owner not be in a position to self-fund energy efficient improvements.

However, Elmhurst believe the right approach would be to find appropriate balance for the lifetime any exemption for example allowing the homeowner to exempt the property for an initial 12 months. After which the exemption can be extended providing the homeowner is still eligible.

Q21. Which people, businesses, or types of buildings, if any, should be eligible for a modified standard or exemptions?

Elmhurst believe exemptions should apply to people (those on lower incomes or first time buyers) and not types of buildings.

Having a listed status does not prevent a property from having energy efficient improvements installed.

Q22. To what extent do you support our proposals to give certain people extra time to meet the Heat in Buildings Standard?

Strongly support

Somewhat support

Neither support nor oppose

Somewhat oppose

Strongly oppose

Don't know

Please include any additional comments below.

Elmhurst agree that certain people will need more time to meet the standard such as those that own properties that of off grid or are part of a heat network.

Q23. Which people, businesses or types of buildings, if any, should be eligible for extra time?

Some people/businesses will need more time to install energy efficient improvements such as those who are off grid, part of a heat network or public buildings.

Questions on Chapter 6 - Public Sector Buildings

Q24. To what extent do you support our proposal to require all buildings owned by a Scottish public authority to be using clean heating systems by 2038?

Strongly support

Somewhat support

Neither support nor oppose

Somewhat oppose

Strongly oppose

Don't know

Please include any additional comments below.

We believe that there should still be consideration for biomass heating systems to be used as this is a viable LZC technology.

Q25. We are considering the following further duties on public sector organisations to support planning for the transition by 2038:

- a.** Placing a new duty on public sector organisations which would, from 2025, prevent them from replacing a polluting heating system with another (unless impractical);
- b.** Creating a new duty for each public body to develop and implement a plan to decarbonise their buildings;
- c.** Placing a new statutory reporting duty on public sector organisations to demonstrate progress towards their 2038 objective (with the potential for the 2038 then to be non- statutory); and/or
- d.** Placing no further statutory requirements on public sector organisations (instead relying on their ability to plan alongside our delivery and funding programmes to meet the 2038 objective).

Please tell us which option(s) you would support.

Elmhurst would support all these options.

Please include any additional comments below.

We believe that there should still be consideration for biomass heating systems to be used as this is a viable LZC technology.

Questions on Chapter 7 - Amendments to Existing Legislation

Q26. Do you agree with our proposals to include powers in the proposed Heat in Buildings Bill to change the current requirement in legislation for a narrowly-defined renewable heat target?

Yes

No

Don't Know

Please include any additional comments below.

Elmhurst agree with the proposal as it could be a positive step in capturing how Scotland is performing on heat decarbonisation and emissions.

Q27. Do you agree that the Heat Networks (Scotland) Act 2021 should be amended in light of the passage of the Energy Act 2023?

Yes

No


Don't Know


Please include any additional comments below.

Q28. Are there any further amendments to the Heat Networks (Scotland) Act 2021 that the Scottish Government should consider?

Contact Details

Should you require any further clarification,
please contact us at:

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