

Item: 8

Education, Leisure and Housing Committee: 9 June 2021.

Energy Efficiency Standard for Social Housing.

Report by Executive Director of Education, Leisure and Housing.

1. Purpose of Report

To provide a progress update in respect of the Council's requirement to meet the Energy Efficiency Standard for Social Housing across the Council's housing.

2. Recommendations

The Committee is invited to note:

2.1.

That progress towards meeting the Energy Efficiency Standard for Social Housing is inter-related to works to address the Scottish Housing Quality Standard.

2.2.

The level of progress towards meeting the Energy Efficiency Standard for Social Housing, as detailed in sections 5 and 6 of this report.

3. Energy Efficiency Standard for Social Housing

3.1.

The Energy Efficiency Standard for Social Housing aims to improve the energy efficiency of social housing in Scotland. It is intended to help reduce energy consumption, fuel poverty and the emission of greenhouse gases.

3.2.

The Standard is based on minimum Energy Performance Certificate Energy Efficiency ratings. As Standard Assessment Procedure software is updated, new ratings are declared. These are shown in the ratings table below and vary depending on the type of property and the fuel used to heat it.

Minimum Standard Assessment Procedure ratings to pass the Energy Efficiency Standard for Social Housing		
	Energy Efficiency Rating as at 2009	Energy Efficiency Rating as at 2012
Dwelling type	Electric	Electric
Flats	65	63

Four-in-a-block	65	62
Houses (other than detached)	65	62
Detached	60	57

4. Current Assessment of Council Housing Stock

4.1.

An assessment of the Council's housing stock has been undertaken in order to determine how many properties have energy efficiency scores which do not meet the first Energy Efficiency Standard for Social Housing which required to be met by December 2020.

4.2.

As at 31 March 2021, the Council had 951 self-contained properties of which 88.1% or 838 met the Energy Efficiency Standard for Social Housing. Of the remaining 113 properties, 79 fail the Energy Efficiency Standard for Social Housing, while 34 properties are either exempt due to factors like disproportionate cost or are in abeyance because the tenant does not want, or feel able to cope with, any works to go ahead. This compares to figures at 31 March 2020 when the Council had 952 properties of which 86.8% or 826 met the Energy Efficiency Standards for Social Housing.

4.3.

The significant number of Energy Performance Certificate (EPC) surveys undertaken over recent years coupled with new build programmes have resulted in a situation where the Council holds individual energy efficiency scores for about 90% of its stock, which is significant. Many councils use a system of cloning Energy Performance Certificates for properties that are the same build type and layout in this respect.

4.4.

Unfortunately, COVID-19 restrictions and concern felt by tenants around allowing access, served to delay some of the works which were anticipated to be completed during financial year 2020/21 which would have sought to address the majority of the 79 fails.

4.5.

In March 2021, letters were sent to the tenants of properties that do not meet the EESSH standard asking for access to undertake works. Where access is granted, works will be undertaken to bring the property up to the required standard. Where access cannot be arranged, the properties in question will be recorded as being in abeyance until such a time as appropriate remedies can be undertaken.

5. Programme of Works for 2020/21

5.1.

A further 11 properties were brought up to the Energy Efficiency Standard for Social Housing in 2020/21.

5.2.

In terms of measures, one property had high heat retention storage heaters installed, another property had underfloor insulation installed, and nine properties had updated EPCs undertaken which showed they in fact met the standard.

6. Energy Efficiency Standard for Social Housing 2

6.1.

The Scottish Government has published guidance on the new Energy Efficiency Standard for Social Housing 2 that will build on the work undertaken through the Energy Efficiency Standard for Social Housing.

6.2.

The new standard places an aspirational Energy Performance Certificate score of 81 on all social rented housing properties. Some of the Council's housing stock already meets or surpasses this score, but there are 802 properties that do not currently meet the required standard and will either need upgrading or in some exceptional cases selling.

6.3.

In some cases, it will not be cost effective or technically feasible to bring certain properties up to the required standard. In these cases, the Council can either apply an exception or look to sell the property in question when it becomes vacant.

6.4.

There has been no announcement from the Scottish Government about how these requirements will be supported financially.

6.5.

Officers are developing a fully costed plan for meeting the Energy Efficiency Standard for Social Housing 2 which will outline proposals on how the required targets are intended to be met, which will be presented to Committee at a future meeting.

7. Corporate Governance

This report relates to governance and procedural issues and therefore does not directly support and contribute to improved outcomes for communities as outlined in the Council Plan and the Local Outcomes Improvement Plan.

8. Financial Implications

8.1.

The Council House Build Programme has transformed the Council's housing stock, increasing the number of properties that meet the Scottish Housing Quality Standard and the Energy Efficiency Standard for Social Housing. This has, however, been achieved through the Housing Revenue Account taking on additional loan debt that requires to be serviced out of the rental income before any other revenue expenditure. The Housing Revenue Account therefore has limited flexibility in the short term to take on any additional expenditure commitments.

8.2.

It is anticipated that the financial costs associated with meeting the Energy Efficiency Standard for Social Housing 2 will be significant and, therefore, require additional external funding to be sourced. Financially, the Housing Revenue Account is not in a position to fully fund the Energy Efficiency Standard for Social Housing 2 and care requires to be taken to endeavour to reduce the impact on tenants' rents.

9. Legal Aspects

There are no legal implications arising directly from this noting report.

10. Contact Officers

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