



Climate Change, Energy Efficiency and Housing Quality

Local Housing Strategy 2023-2028 Housing Issues Paper



What is a Local Housing Strategy and a Housing Issues Paper?

All local authorities have Local Housing Strategies (LHS) in place to plan how they will address housing matters across the local area. Scottish Borders is currently shaping its **Local Housing Strategy for 2023-2028** and have created **four housing issues papers** to discuss key issues facing the Borders.

This is one of four housing issues papers and focusses on:

Climate Change, Energy Efficiency and Housing Quality

The other three papers focus on:

- Housing Delivery and Place Making
- Homelessness
- Particular Needs and Specialist Provision

We are seeking the views of stakeholders and residents about the papers to make sure that they meet expectations, to see if we have missed anything and to see if there are a better ways of the council carrying out its duties in relation to housing. We are seeking views through a survey and multiple workshops with residents and stakeholders.

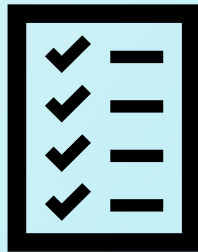


Content: Housing Issues Papers

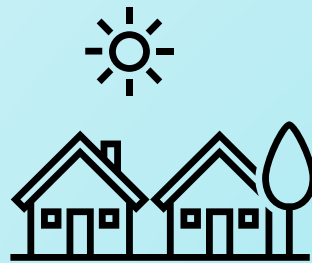
Scottish Borders Council have created the housing issues papers as follows:



Built on a strong understanding of **current national and local context and priorities**



Built on the **progress made** on the current LHS (2017-22)



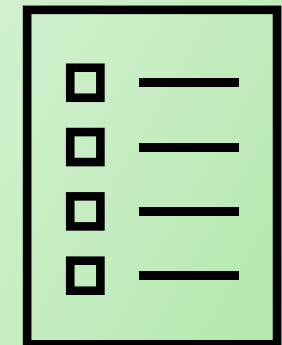
Addressing **newly arising housing matters** such as new LHS guidance and the Covid 19 pandemic



Shaped by the feedback from residents and stakeholders through the **early engagement survey**



The **planned actions** that the council and our partners are going to take over the next 5 years to address the housing issues we've identified





2017-2022 Local Housing Strategy actions:

More people live in good-quality, energy-efficient homes

Outcomes	Strategic Actions
Social housing stock meets the SHQS	SBC and RSL's partner will work together to develop a plan for addressing SHQS failures, exemptions and abeyances
Social Housing stock meets EESSH 2020 target	Work in partnership to improve the quality of the social housing stock: to meet SHQS and EESSH targets, and support improved energy efficiency standards in new build developments
	RSLs to prepare annual reports on their progress on achieving EESSH
Significant improvement in fuel efficiency of housing stock	Explore the potential to support communities to come together to negotiate discounted rates for fuel provision in rural areas or acknowledged areas of deprivation
	Incentivise mixed tenure approaches to improve energy efficiency
	Target resources, information and advice to ensure owner occupiers and private landlords benefit from opportunities for insulation, double glazing, upgraded heating systems etc.
	Ensure effective targeting of energy efficiency measures on those who are experiencing fuel poverty
	Develop a local, multi-agency home energy forum to support the development and implementation of the strategic approach to tackling fuel poverty
	Explore the development of a comprehensive local network of delivery options to provide enhanced fuel poverty and energy efficiency advice
Improved functioning of the private sector housing portfolio	Work in partnership to improve condition of empty homes in rural areas and town centres
	Develop effective routes to liaise and collaborate with the private landlord sector to maximise the quality and impact of the private rented sector in Scottish Borders
	Deliver multi-tenure information and advice to enable households to manage the condition of their property
	Explore and implement mixed tenure solutions to improve stock condition



Achievements in 2017-21

2017/18

- SBC awarded £1,045,619 grant funding from Scottish Government for 2017/18.
- Over 700 private households supported with installing energy efficiency measures on their properties.
- Change Works in Peebles opened, offering the local community face to face advice and support via a hub on Peebles High Street/
- Borders Home Energy Forum has been established
- Over 5,000 registered Landlords and over £79,000 of revenue generated income.

2018/19

- Affordable Warmth and Home Energy Efficiency has been developed with significant engagement
- SBC allocated £1,293,459 grant funding from Scottish Government for 2018/19 HEEPS: ABS.
- Over 2,000 referrals for support via Home Energy Scotland on energy efficiency and fuel poverty.
- Change Works in Peebles continues to operate and has been expanded to cover the whole Tweeddale locality
- Scottish Borders Council currently has almost 6,000 approved registered Landlords and over 8,700 rental properties approved

2019/20

- SBC allocated £1.34m grant funding from Scottish Government for 2019/20 HEEPS: ABS
- HEEPS:ABS Air Source Heat Pump installation scheme developed to support properties in off gas areas
- 724 referrals for support via Home Energy Scotland on energy efficiency and fuel poverty
- Pilot of Missing Shares Scheme initiated in Hawick Conservation Area
- Scottish Borders Council currently has over 5,000 approved registered Landlords and over 7,800 rental properties approved
- Landlord Forum held in Galashiels with around 100 Landlords/agents attending.
- LAS and SBC training course in Tenancy Agreements & Notices for private landlords and letting agents within the Scottish Borders held in Hawick in November 2019.

2020/21

- Scottish Borders Council allocated £1.7m grant funding from Scottish Government for 2020/21 EES: ABS Programme (previously HEEPS:ABS)
- EES:ABS Air Source Heat Pump installation scheme developed to support properties in off gas areas
- 5,501 advice interactions with Home Energy Scotland
- Successful joint bid by all 4 Scottish Borders RSL's to secure £450k from the Scottish Governments £2m Fuel Poverty fund
- Scottish Borders Council currently has over 5,000 approved registered Landlords and over 7,800 rental properties approved
- Online training courses held in conjunction with Landlord Accreditation Scotland (LAS)
- Over 300 households have been supported and benefits and energy savings of £300,000



Legal and Regulatory Context

The Climate Change, Energy Efficiency and Housing Quality Housing issues paper is written with consideration of the following legal and regulatory priorities:

UK Government	Scottish Government	Scottish Borders Council
<ul style="list-style-type: none">Climate Change Act 2019	<ul style="list-style-type: none">Energy Efficient Scotland: route map (2018)Heat Networks (Scotland) BillUpdate to the Climate Change Plan 2018 – 2032Heat in Buildings Strategy 2021Local Heat & Energy Efficiency Strategies (LHEES) Order 2022Tenement Condition: Work plan for 2021	<ul style="list-style-type: none">Affordable Warmth & Home Energy Efficiency StrategyScheme of Assistance



What we know

Climate Change



- Scotland has set an ambitious target to become 'Net Zero' by 2045, five years ahead of the rest of the UK. Most are familiar with the target of net zero emissions by 2045 but less familiar with the interim target of 70% reductions by 2030, less than 10 years away.
- Scotland's 2018-2032 Climate Change Plan was updated in December 2020. It sets out the Scottish Government's pathway to the country's new and ambitious targets set by the Climate Change Act 2019.
- Heat in Buildings Strategy sets out Scotland's vision for the future of heat in buildings, and the actions being taken in the buildings sector to deliver climate change commitments, maximise economic opportunities, and ensure a just transition, including helping address fuel poverty.
- SBC declared a climate change emergency In September 2020 and this will be a key theme and core consideration through all aspects of SBC activity, including the LHS. SBC are committed to decarbonisation, and this is part of declaring a climate change emergency and offering climate change commitment.



What we know

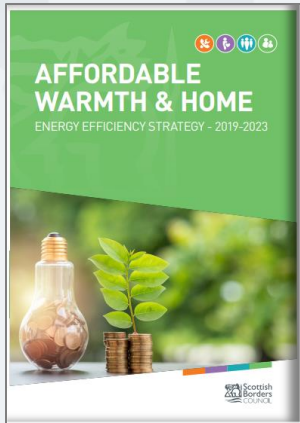
Fuel Poverty



- A household is considered to be in fuel poverty if it spends more than 10% of household income on fuel, and in extreme fuel poverty if it spends more than 20% of income on fuel.
- There are three main factors that influence whether a household is in fuel poverty; Household income, Fuel costs and Energy efficiency. A fourth factor has also been identified as a cause of fuel poverty: How people use their heating systems and live within their home.
- Fuel poverty is a particular issue facing households in Scottish Borders. This effects around 29% of households in the Scottish Borders live in fuel poverty (24% Scotland) and 14% are in extreme fuel poverty (12% Scotland).
- The rural nature of the area (53% of the population in the Scottish Borders live in rural areas, compared with the national figure of 21%), the type of housing (a lot of solid stone construction, older properties) and the low wage economy, contributes to higher levels than the Scottish average
- 28% of dwellings are off then gas grid compared to 17% nationally.
- Fuel poverty is higher in older properties, older households and people living in the social rented sector.
- We are seeing a slow, gradual reduction in levels locally and will continue to work to bring these down through the delivery of energy efficiency schemes targeting households most at risk and making affordable warmth achievable for more households.



Affordable Warmth & Home Energy Efficiency Strategy (AWHEES)



SBC along with key local stakeholders, developed an **Affordable Warmth & Home Energy Efficiency Strategy (AWHEES)** as a way to prioritise, measure and manage how we can work effectively across the region with key stakeholders to address fuel poverty and to enable properties across all sectors to become more energy efficient. The AWHEES will continue to be a core part of the LHS as we transition across to the Scottish Government's national Local Heat & Energy Efficiency Strategies (LHEES). The key Vision of the AWHEES was that "More people live in energy efficient and affordably warm homes". The three main priorities within the AWHEES are:

To collectively work with partners to improve affordable warmth and energy efficiency in homes

1. To explore wider measures to better manage and increase warmth in the home
2. To ensure the AWHEES provides opportunities for all in the Scottish Borders

The AWHEES has been in place for three years now and in that time a number of achievements have been made. The main output has been the creation and ongoing Scottish Borders Home Energy Forum. The Partnership comprises organisations representing housing providers, statutory bodies, advisory groups, bodies associated with energy, affordable warmth, health and income maximisation, and representative Officers of Scottish Borders Council.

The Forum has acted as a catalyst for building collective support for ongoing Strategies including EES:ABS and EESSH 1 & 2. Funding opportunities are also discussed at the Forum with upcoming funding opportunities being discussed proactively. It has continued to offer a platform to promote and facilitate measures and schemes that target alleviating fuel poverty and increasing energy efficiency in households.

The Forum provides a strong position to deliver, and monitor progress against the Affordable Warmth and Home Energy Efficiency Strategy. It will continue to work closely to deliver against Scottish Government targets, as well as targeting efforts to work collectively on issues of fuel poverty and energy efficiency.



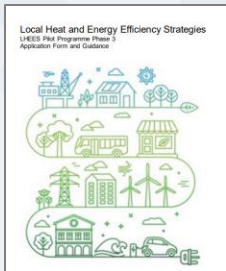
Registered Social Landlords



- The main heating type in RSL properties is gas (73%) and electric (19%), making up over 92% of social rented housing
- The majority of RSL stock has an EPC of C or above, accounting for 80.7% of properties
- Average compliance with EESSH 1 was 92% across the Scottish Borders a breakdown of this by the four local RSLs is:
 - *Berwickshire Housing Association* – **76%**
 - *Eildon Housing Association* – **95%**
 - *Scottish Borders Housing Association* – **97.1%**
 - *Waverley Housing* – **99.3%**



Local Heat & Energy Efficiency Strategies (LHEES)



All Local Authorities will be required to develop an LHEES. An LHEES Strategy identifies what needs to be done to change buildings and relevant local infrastructure by 2045 to fulfil the Scottish Government's objectives and local priorities relating to heat and energy efficiency in buildings.

The LHEES will take into account and interact with local and national factors, such as the timing of planned infrastructure upgrades, access to resources and funding, major projects, decisions over the gas grid and community engagement. Covering a period of up to 15-20 years with detailed actions set out in shorter term Delivery Plans. (This builds on SBC's existing AWHEES). LHEES will provide a framework and delivery programme for local authorities to **reduce energy demand** and **decarbonise heat supply**

LHEES will set out the long-term plan for decarbonising heat in buildings and improving their energy efficiency across an entire local authority area. The LHEES is set to become statutory requirement for Local Authorities in 2023. Set in the draft Heat in Buildings Strategy and to include all sectors: Domestic, Non-Domestic & Public Buildings.

SBC participated in an LHEES pilot for Peebles in 2018/19. The LHEES pilot project proved to be an interesting and worthwhile undertaking. It has allowed officers to gain a greater understanding of the process involved in undertaking an LHEES, which will be essential when the development of a full authority-wide LHEES becomes a statutory requirement in 2023.



House Condition Profile



The housing condition profile is worse in the Scottish Borders than Scotland as a whole, and suggests that the majority of homes (**74%**) have some element of disrepair. Housing quality levels are poorer in the Scottish Borders than Scotland.

The table below highlights some of the key figures.

	Scottish Borders	Scotland
Disrepair to critical elements	56%	53%
Urgent repair to critical elements	25%	20%
Disrepair	74%	71%
Urgent Disrepair	31%	28%
Extensive Disrepair	2%	6%
Condensation	9%	8%
Below Tolerable Standard	2%	2%
Fails Scottish Housing Quality Standard	48%	41%

Pre-1945 dwellings are more likely to have disrepair issues than post-1945 dwellings.



Early Engagement Survey

Held between 1st
October to 30th
November 2021 for
households and
organisations

Aim

To find out what the main housing issues and priorities for the region were for households and organisation

How

A survey published through social media, press release and working with RSL tenant groups and other community Groups

Outcome

330 responses (301 from individuals and 29 from organisations)



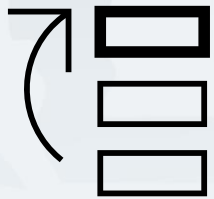
Notable findings

66%

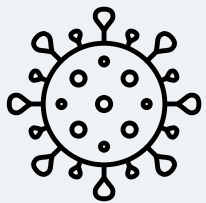
Thought that property condition was an issue (**24%** thought it was a small issue and **42%** thought it was a big issue)

93%

Of respondents thought teaching climate change, making homes more energy efficient and more affordable was a housing issue. (79% thought it was big issue and 14% thought it was a small issue). From the responses to this question, this was seen as the biggest issue and had the highest response.



Respondents were asked to rank a number of housing priorities; the next slide presents the responses to questions relating to housing condition, climate change and energy efficiency. **'Residents can afford to heat their homes'** was the second highest priority ranked by respondents. **'Homes are fuel efficient and do not damage the environment'** was ranked third and the other priority was ranked 6th. (Out of 12 priorities listed).



We asked respondents in what ways the COVID-19 pandemic impacted upon their housing situation and/or housing within the Scottish Borders in general. A number of respondents commented that due to lockdown repairs weren't getting dealt with and even after lockdown it was very difficult to get tradespeople in to do repairs.

Additional findings



What do you think are the top five housing priorities in the Scottish Borders? (1 being the greatest priority)

Priorities	1	2	3	4	5	Total Selected as Priorities
Homes are fuel efficient and do not damage the environment	8%	15%	12%	14%	7%	56%
Residents can afford to heat their homes	11%	12%	15%	12%	10%	61%
Availability of help and advice for both home owners and private renters to help repair and maintain their homes	10%	5%	8%	8%	15%	47%

Source: LHS 2023-2028 Early Engagement Survey Results

Comments on property condition:

Houses should be safe and practical to live in.

'In my experience as a homeowner the lack of tradespeople is a big issue and difficult to maintain properties because of this'.

'Some properties seem to be passed their best and would probably be cheaper and more efficient to demolish'

'Things not getting fixed when reported'

Comments on energy efficiency, climate change and fuel poverty:

'Lack of any scale in local trades is a real issue: Just try to get an electrician, chimney sweep, and plumber. A lot of the EPC recommendations simply don't fit for traditional housing stock; especially pre-1900. Historic Environment Scotland appear to understand this but there is a disconnect between the EPC recommendations which are rarely practical or economic'.

'Retrofit of old buildings for green tech will be very important. Priority for local trades to know how to do it'.

'Addressing carbon footprint of existing housing stock'.

'Homes should be well-insulated with affordable heating systems'.

'Passivhaus levels for all new builds and retrofitting advice and funding to meet climate change deadlines ASAP and community spaces for food growing incorporated into all new build development plans'.



What are the issues?

- How to address fuel poverty in the region and support people as they seek to make their homes more energy efficient.
- More focus to support efforts to reduce carbon emission and address climate change.
- To provide affordable warmth and healthy homes for everyone living in the Borders
- The impacts of the cost-of-living crisis and how to mitigate against these
- The Scottish House Condition Survey suggest that the majority of homes in Scottish Borders have some element of disrepair. Furthermore, housing quality levels are poorer in the Scottish Borders than Scotland. What can be done to help support private home owners to repair and maintain their properties?



What are the issues? (cont.)

- How to address the poorer house conditions in the Scottish Borders. Look to develop new mechanisms to help support landlords and homeowners
- React to new legislation from Scottish Government that will focus on all housing (new and existing) being to a set housing standard. What will the implications of this standard be?
- The private rented sector plays a significant role in the Scottish Borders. Continue to work with landlords and tenants to ensure this sector continues to thrive



Actions until 2040

Housing to 2040 – what are the actions around Climate Change, Energy Efficiency and Housing Quality?

Affordable warmth and zero emissions homes

Action 12:

Align the work set out in Housing to 2040 with the draft Heat in Buildings Strategy so both work together to deliver our statutory targets for climate change and fuel poverty, and the milestones in between, in a fair and just way.

Action 13:

Aim for all new homes delivered by Registered Social Landlords and local authorities to be zero emissions by 2026.

Fit zero emissions heating systems in all new build social homes ahead of the 2024 regulations coming into force.

Make greater use of offsite construction in the social rented sector.

Test approaches to offsite construction and Community Carbon initiatives through the Edinburgh Home Demonstrator Project.

Invest in energy efficiency and heat decarbonisation of buildings, with almost £1.6 billion investment committed over the next five years.

Regulate to set minimum energy efficiency standards between 2023 and 2025.

Action 14:

Adapt and retrofit existing homes to improve their energy efficiency and decarbonise their heating systems.

Establish a Zero Emissions Social Housing Task Force to advise on requirements in social housing to meet zero emissions for existing homes and inform, longer-term, what is required for existing homes in the private rented sector and owner-occupied sectors.

Assess the feasibility of council-led taskforces to undertake retrofit and other green construction projects.

Implement a public engagement strategy for heat in buildings.

Support a ramping up of investment in heat decarbonisation from 2025 onwards



Actions until 2040 (continued)

Action 15:

Modernise housing construction, particularly through offsite construction.

Publish a new strategy for zero emissions new build affordable homes, based on offsite construction, and take into account new techniques and technologies, supply chain resilience and associated training and skills needs.

Introduce a new business model for the delivery of affordable homes where Registered Social Landlords and councils, designers, regulators and builders work closely together from day one, there is greater standardisation of components (without compromising on design quality) and costs are assessed across the whole lifetime of the project.

Work with councils and housing associations to develop a more visible pipeline of future offsite development.

Develop a housing sectoral plan by 2022 to prioritise the delivery of green housing investments.
61 Housing to 2040 The Route Map

Work with the Construction Scotland Innovation Centre, Scottish Futures Trust and others to establish a housing innovation programme to reshape demand towards design for manufacture and assembly.

Action 16:

Build the strong local supply chains needed to decarbonise Scotland's homes and contribute to green recovery.

Start a supply chain development action plan in 2021, specifically focused on the development of energy efficiency and zero emissions heat in building supply chains.



Actions until 2040 (continued)

Action 17:

Grow the skills needed to deliver energy efficiency and zero emissions heating systems and support an increase in the use of offsite construction.

Work with Skills Development Scotland and others to develop flexible learning offers to support new skills for offsite construction.

Create an offsite construction training route as part of the online National Construction Skills Academy.

Work with enterprise agencies and the Construction Scotland Innovation Centre to promote house building and wider construction as an attractive and ethical career prospect in schools and through wider marketing.

Take forward our work on Scottish skill requirements for energy efficiency, low and zero emissions systems, microgeneration and heat networks following consultation and incorporate into retrofit industry standards.

Integrate Fair Work First into our zero emissions new build affordable homes strategy to drive green, good and fair jobs across the housing labour market and apply these criteria to grants, other funding and contracts awarded by and across the affordable housing sector. Improving the quality of all homes

Action 18:

Set tenure-neutral standards so that everyone can live with dignity and in comfort, no matter what tenure they live in.

Introduce legislation for a new Housing Standard in 2024/25, for phased introduction from 2025 to 2030, aiming to cover all homes new and existing, with no margins of tolerance, no exemptions and no “acceptable levels” of sub-standard homes.

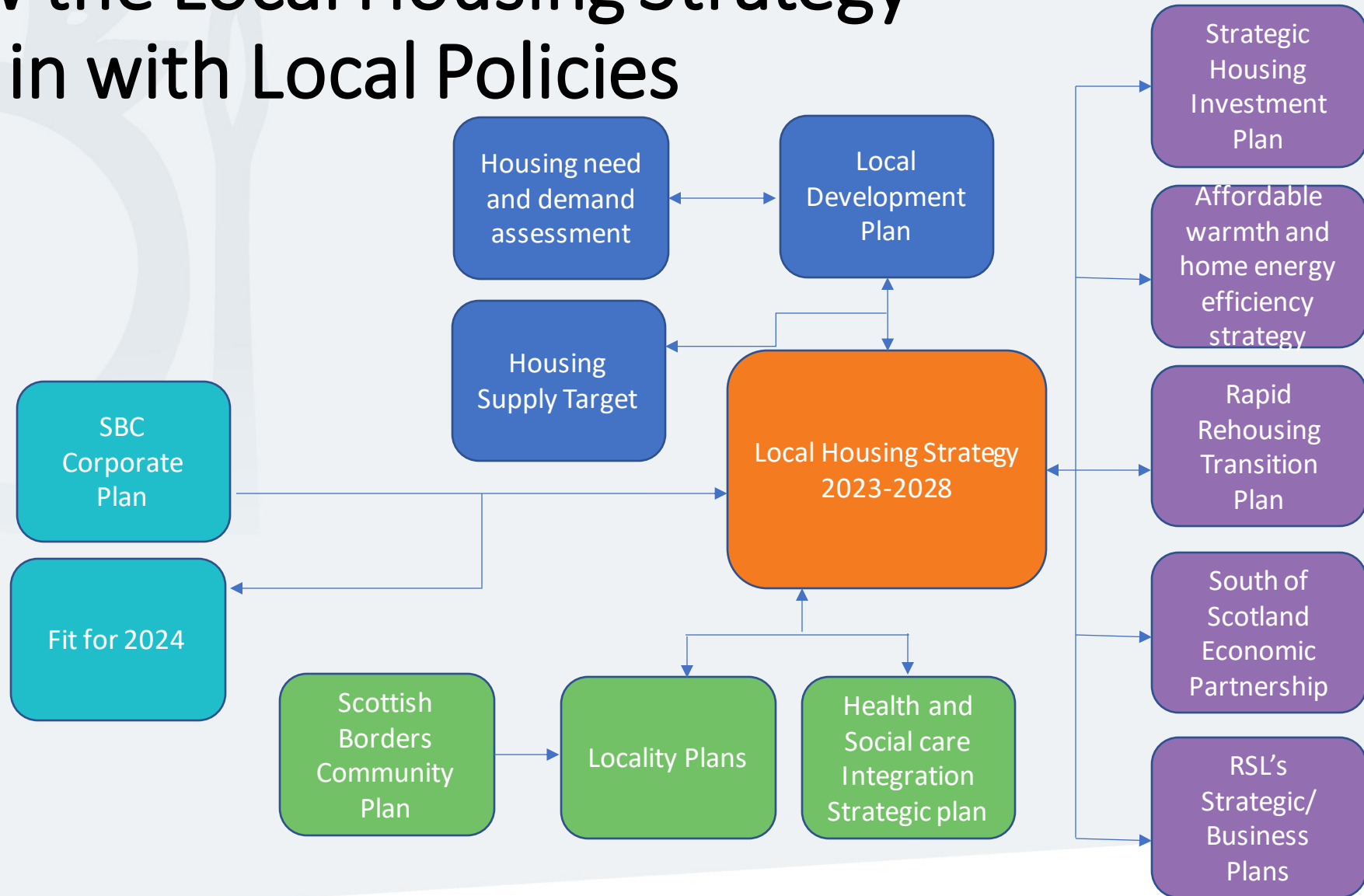
Take action to support proactive approaches to repair and maintenance to help owners avoid high-cost interventions later.

Develop a new Help to improve approach to support homeowners and landlords pay for improvement work. This will operate alongside existing and planned support for energy efficiency and zero emissions heating systems, allowing us to take a whole-house approach where possible.

Introduce an enforcement framework to support the new Standard, which could come into force in phases between 2025 and 2030, recognising that different types of homes in different places may need more or less time to achieve compliance.

Work with UK Government to deliver a New Homes Ombudsman which extends to Scotland but respects devolution

How the Local Housing Strategy Fits in with Local Policies





Next Steps

Survey

Scottish Borders Council (SBC), aided by Altair Consultancy and Advisory Services Ltd <https://altairltd.co.uk/>, will conduct **surveys** with Scottish Borders residents and stakeholders (organisations involved in the housing sector) during **July/August 2022**.

The surveys are an opportunity for you to tell SBC which local housing issues matter the most to you.

Workshops

This will be followed by **workshops**, during which you can discuss local housing issues in more detail. These are scheduled for the following dates:

Residents	Stakeholders
#1 - Tuesday 2nd August, 11am-1pm	#1 - Monday 5th September, 2pm-4pm
#2 - Wednesday 3rd August, 5.30pm-7.30pm	#2 - Wednesday 7th September, 9.30am-11.30am
#3 - Monday 8th August, 3pm-5pm	#3 - Tuesday 13th September, 2pm-4pm
#4 - Wednesday 10th August, 9am-11am	#4 - Thursday 15th September, 2pm-4pm