

Item: 9

Education, Leisure and Housing Committee: 8 June 2022.

Energy Efficiency Standard for Social Housing.

Report by Corporate Director for Education, Leisure and Housing.

1. Purpose of Report

To advise on progress with meeting Energy Efficiency Standard for Social Housing during 2021/22.

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 work to address the Scottish Housing Quality Standard.

2.2.

That, from 1 January 2021, the previous energy efficiency elements of the Scottish Housing Quality Standard have been superseded by the second Energy Efficiency Standard for Social Housing (ESSH2).

2.3.

That for ESSH2 all social housing has to meet, or can be treated as meeting, Energy Performance Certificate Band B, or be as energy efficient as practically possible, by 31 December 2032 and within the limits of cost, technology and necessary consent.

2.4.

That the Scottish Housing Regulator has requested that the Annual Return on the Charter indicators for 2021/22 should reflect the first ESSH milestone, namely the requirements to be met by 30 December 2020.

2.5.

The level of progress towards meeting the first ESSH milestone, as detailed in sections 4 and 5 of this report.

3. First EESSH Milestone

3.1.

The Energy Efficiency Standard for Social Housing (EESH) 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 first milestone Standard was based on minimum Energy Performance Certificate Energy Efficiency ratings. As Standard Assessment Procedure software is updated, new ratings are declared. An example of these are shown in the ratings table below and varied depending on the type of property and the fuel used to heat it.

	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 had initially 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. Once properties were identified works were undertaken to those requiring energy efficiency improvements. Energy efficiency scores are revaluated on the completion of works.

4.2.

The following table represents the current position with respect to the first EESH milestone as at 31 March 2022. Exempt properties are due to factors like disproportionate cost or those in abeyance because the tenant does not want, or feel able to cope with, any works.

	31 March 2022.	31 March 2021.
Total properties.	983.	951.
Properties achieving EESH1.	902.	838.
Remaining properties.	81.	113.
• Exempt.	61.	34.

• Failed.	20.	79.
○ EPC update required following works.	6.	—.
○ Awaiting survey.	3.	—.
○ Scheduled 22/23.	11.	—.

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. The Council endeavours to avoid this practice wherever possible, preferring to have precise information relating to the individual property.

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 2021/22 which would have sought to address the majority of the 20 fails. That said, as at the date of writing this report of these 20 properties:

- 6 properties require an update of their EPC following works.
- 3 are awaiting survey from the electricity provider prior to fitting air to air heat pumps.
- 11 have works scheduled this year ranging from underfloor insulation and new heating systems.

4.5.

In April 2021 and in February 2022, 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 time as appropriate remedies can be undertaken.

5. Programme of Works for 2021/22

The additional 64 properties meeting the first EESSH milestone in 2021/2022 include the 32 new properties at Carness, Kirkwall. Works to the remaining 32 properties included, upgrades to heating, underfloor insulation, loft insulation top ups and wall insulation where required.

6. Energy Efficiency Standard for Social Housing 2

At its meeting held on 16 February 2022, when considering a plan to deliver EESSH2 over a 10 year period, the Education, Leisure and Housing Committee recommended that, acknowledging that delivery was dependent on sufficient funds being available from the Housing Revenue Account, together with additional grant funding assistance from the Scottish Government, the Executive Director of Education, Leisure and Housing should develop the summary of works and costs required to deliver EESSH2 into a detailed programme for consideration through the Capital Project Appraisal process.

7. Corporate Governance

This report relates to the Council complying with governance and scrutiny 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

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 first milestone 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.

9. Legal Aspects

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

10. Contact Officers

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