

## Energy Efficient Scotland Consultation:

### Making our homes and buildings warmer, greener and more efficient

#### Existing Homes Alliance Scotland response

July 2018

#### 1. What are your views on our proposal for owner occupied and private rented properties to achieve the Long-Term Domestic Standard EPC Energy Efficiency Rating Band C by 2040 at the latest?

We agree with the Scottish Government's proposal for owner occupied and private rented properties to achieve a Long-Term Domestic Standard and that the standard should be EPC Energy Efficiency Rating Band C. However, we believe that this standard should be achieved by 2030. We believe this earlier timescale is both necessary – in terms of climate change and fuel poverty priorities – and realistic.

Our view is consistent with the motion passed by the Scottish Parliament on 10 May 2018 on Energy Efficient Scotland with opposition party support: “ That the Parliament welcomes the publication of the Energy Efficient Scotland Route Map, *considers that the target for all homes reaching EPC ‘C’ rating, where feasibly possible, should be no later than 2030, not 2040, given the urgency to reduce carbon emissions and to ensure that every home in Scotland is warm and properly insulated...*”<sup>1</sup>

A more ambitious target is also appropriate given similar targets for England and Wales in the UK Clean Growth Strategy<sup>2</sup> and the fact that Scotland has 39% of homes at EPC rating of C (or above)<sup>3</sup> vs 30% in England<sup>4</sup>.

#### 2. Do you think we should allow for situations where a lower standard is acceptable?

The Long-Term Standard is required for improvements that are technically feasible and cost-effective (over the lifetime of the measures).

Therefore, there will need to be **exceptions** provisions that would allow for a relaxation or abeyance of the standard (we are not aware of circumstances where a permanent exemption would be appropriate) for where it is not technically feasible or cost-effective for a property to be brought to an EPC band C. The presumption should be that every property can and should be improved.

There should also be provision for exceptions in the case of extenuating personal circumstances or persistent difficulties with arranging permissions.

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<http://www.parliament.scot/parliamentarybusiness/28877.aspx?SearchType=Advance&ReferenceNumbers=S5M-12140.1&ResultsPerPage=10>

<sup>2</sup> “We want all fuel poor homes to be upgraded to Energy Performance Certificate (EPC) Band C by 2030 and our aspiration is for as many homes as possible to be EPC Band C by 2035 where practical, cost-effective and affordable.”

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/700496/clean-growth-strategy-correction-april-2018.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/700496/clean-growth-strategy-correction-april-2018.pdf)

<sup>3</sup> SHCS Key findings 2016

<sup>4</sup> English Housing Survey Headline Report 2016-17

The 'relaxation' or 'abeyance' should be time-limited and reviewed after a certain number of years as innovative technologies may mean the exception is no longer required.

However, given the long timeframe to 2030 (or 2040), we would expect the number of exceptions to be small, as there is more than adequate time to plan improvements.

As a rule, a fabric first approach should always be used. However, there may be scope for linking relaxation in the standard to be achieved in specific situations to the carbon-intensity of the heat source used, at least in off-gas locations. A lower threshold or deferred date for compliance with EPC band might be accommodated where the heat source is low carbon.

**3. Do you think we should allow for situations where a longer period for improvement is allowed? Please explain your answer giving examples.**

As a rule, there should not be a need for an extended period to reach the standard where it is technically feasible and cost-effective, given the long notice for the standard. The notice period gives ample time to organise the improvements, including those that require permissions or agreement of other owners. As all properties should reach this standard, the problems of 'blockers' in mixed tenure properties should not be a cause for delay.

However, it might be worth allowing for a limited extension in time if the upgrade involves a whole building upgrade of insulation and heat – for example connection to a district heating system or co-ordinating with an established repairs and maintenance programme.

The other exception would be for extenuating personal circumstances suggest a longer period for compliance would be helpful. In both situations, evidence should be provided and a clear pathway to achieve compliance should be agreed with the enforcement authority.

To help people plan for compliance, the private sector needs to be aware that regulation is coming. People will need to know the standard, date for compliance, and what help and support they can get. They should also be made aware of any planning permissions might be required.

**4. We are proposing that the definition of a cost-effective measure is that it should pay back over its lifetime. What are your views on this definition?**

We have some concerns about how this definition would be applied, what measures it could preclude, and what result it would deliver for the housing stock. Our specific questions/comments are:

- Cost-effectiveness changes over time – this should be taken into account.
- Cost-effectiveness test should include subsidies/incentives.
- How are the estimates for costs and payback periods derived?
- Would it preclude significant measures (eg solid wall insulation, double glazing, boilers, renewables) for some properties?
- How many properties would not reach EPC C and what are the implications for climate change and fuel poverty targets and the EES route map?
- What can we do to reduce costs over the lifetime of the measure?

In our view, we believe that everyone should be able to live in a warm, dry and affordable to heat home. Therefore, Scottish Government should consider how it can help make the right measures cost-effective for homeowners.

We have two other concerns regarding the cost effectiveness requirement:

- An emphasis on ‘cost-effectiveness’ will have a negative impact on communication and engagement efforts to promote the standard and its benefits. Instead, the emphasis should be on comfort and well-being.
- To ensure we are addressing fuel poverty, tenants should not be penalised by higher rents to cover the cost of works if this is not offset by savings on energy bills or greater comfort. This applies to social tenants as well as private tenants.

It is noted that the consultation refers to the matter of the definition of ‘technically feasible’, stating: “We consider that a new assessment, building on the EPC process, should be developed which will identify what is technically feasible” which is welcome, but it does not raise a question relating to this. We wish to stress the importance of this element to the programme outcomes. Technical feasibility will be just as hard as cost-effectiveness to determine objectively. It may be that Historic Environment Scotland can play a role here in terms of traditional buildings. The need for resourcing and managing the appropriate training and oversight for whoever will perform this assessment must not be over-looked.

#### **5. What are your views on the issue of air quality in relation to the Long-Term Domestic Standard?**

We support the increasing attention to maintaining and improving air quality through energy performance improvements. It is essential that insulation schemes incorporate design and measures for good ventilation at the same time, along with advice for households so they understand how to use new technologies such as MHRV systems while avoiding over-complicating the operation of the dwelling.

Therefore, we support the introduction of the ‘no detriment to air quality’ requirement to EESSH from 2025 and recommend that this ambition should also apply to standards in other tenures.

We suggest that Home Energy Scotland would be well-placed to link in advice on achieving good indoor air quality alongside advice on heating systems and insulation.

We also favour financial support for the provision and installation of ventilation measures if required as part of a retrofit package to reach the necessary standard.

#### **6. The EPC Rating of a property can be affected by changes to the underlying methodology and to fuel price data. How do you suggest that the Programme takes account of this in setting the Long-Term Domestic Standard?**

We understand that the EPC rating of a property could change (despite no installation of measures) as the underpinning SAP methodology and fuel price data changes. It is important that the system is fair and simple to understand. Therefore, we believe that:

- Compliance should be based on a valid EPC, based on the methodology used at the time it was undertaken.
- The property owner may choose to comply with a new EPC (the rating might be improved) even though a valid EPC exists.
- If a new EPC is required (e.g. if the EPC is more than 10 years old or no EPC exists), compliance should be based on the methodology in place currently.

The alternative would be to use conversion tables (as with the social housing sector) which would be confusing for individual landlords or homeowners.

To make the EPC's more useful and compliance up to date, we believe consideration should be given to mechanisms to encourage more current EPCs and to reviewing the validity period. However, this would need to take account of the relative costs and benefits and not mean a disproportionate burden to the property owner.

We recommend the development of an online tool, so landlords and homeowners could have a 'ready reckoner' of their property's likely EPC rating using the current methodology to help plan for meeting the standard in the future. This would be useful for those who have an EPC which will expire before the standard is required (or they don't have one at all). This online tool would provide guidance but not replace a full EPC assessment.

### **7. What are your views on the proposal that all PRS properties meet EPC Energy Efficiency Rating Band C by 2030?**

Yes, we agree with the proposal that all PRS properties meet EPC Energy Efficiency Rating Band C by 2030.

We agree that setting out the trajectory in required standards to 2030 is important to allow landlords to plan improvements in advance and decide the most cost-effective route to achieve the 2030 standard over time. Indeed, in many cases it will be more cost-effective and less disruptive for landlords to achieve a higher standard in one intervention, rather than in stages.

We think there is merit in supporting and encouraging landlords to consider the most cost-effective route, as this could lead to several benefits for the landlord and the public good:

- Locking in emissions reductions faster
- Faster impact on alleviating fuel poverty.
- Reduce the amount of enforcement work.
- Reaching parity with the social sector sooner – so everyone has the choice of an affordable to heat home

A package of advice, support and financial incentives should be provided to support compliance. However, it is important that there is equity between the private and social sectors in terms of support to meet standards.

### **8. [Owner Occupiers: Encouraging Action] What are your views on our proposal for an initial period of encouraging action?**

We do not believe it would be appropriate to call it an '*initial* [emphasis added] period of encouraging action'. The Scottish Government has been encouraging action for many years now, with some success, and the National Infrastructure Priority was created to accelerate this effort to meet the challenge of delivering warm, low carbon and affordable to heat homes.

In our view, now is the time to use the new Energy Efficient Scotland to set out a clear and credible pathway to introduce regulations to ensure the vast majority of homes reach EPC band C by 2030. This pathway would include:

- Clear signal of intent to regulate, setting out substantial lead in time.

- Set regular review dates to assess progress during foreshadow period.
- Development of regulations starts in 18/19 to complete as soon as possible so homeowners are clearly informed about future expectations.
- Development of independent advice, communications, pro-active engagement, consumer protection and financial incentives. Everyone should find there is a clear and achievable route for compliance.
- Big engagement campaign to maximise period of foreshadowing regulation
- The aim should be that enforcement will be largely unnecessary.

We are concerned that without these elements in place we are relying on ‘business as usual’ rates of improvement. We believe this rate of change will not be enough to meet targets and will be difficult as improvements become more expensive and disruptive.

It would be useful to understand if the Scottish Government has done any analysis of current rates of improvement and the profile of change that is expected, and required, to reach the Long-Term Standard.

#### **9. What information would be useful for householders to be able to access on how to achieve EPC Energy Efficiency Rating Band C before 2030?**

We recommend the following services and information are required:

- Clear link to commitment to regulate, how it will work, and date from which compliance will be required as noted in our answer to question 8.
- One stop shop for information and advice and pro-active engagement through Home Energy Scotland
- Research into best ‘frames’ for communication and engagement about energy efficiency – e.g. focus on aspirations for comfort, health, well-being instead of retrofit, insulation and loans.
- Major public information campaign, with tailored messages and approaches for specific audiences.
- Online ‘ready reckoner’ as suggested in question 6.
- An associated list of measures that should be considered in all cases and next steps depending on construction type and location.
- Minimum standard assessment tool to be developed learning from PRS experience.
- Tools should provide information on what it would take to go beyond C.

#### **10. [Owner Occupiers: Mandatory Action] What are your views on our proposal to follow this initial period with mandating action?**

As noted in our response to question 8, we think it is important to clearly link a period of encouraging voluntary action (foreshadowing regulation) with a definite commitment to regulate before 2030. This should be part of the clear pathway for the vast majority of properties to reach EPC band C by 2030.

The current proposal is to *“monitor progress through wider work to evaluate the roll out of EES, but if this doesn’t show satisfactory progress towards meeting our ambition, we think that mandatory action to ensure compliance with the Long-Term Domestic Standard will need to be considered”*.

We think this is too vague and will:

- Fail to act as a driver to encourage householders to act now, meaning more of a requirement for enforcement later.
- Fail to leave adequate time to develop effective regulation for the owner/occupied sector. It is worth remembering the slow progress towards introducing regulation. Enabling powers were introduced in the Climate Change (Scotland) Act 2009. The Energy Efficient Scotland Route map has finally introduced regulation in the PRS, with the first date for compliance in 2020 – 11 years from when the powers were made available.

**11. What are your views on our proposal that 2030 is the right point to start mandating action to achieve EPC energy Efficiency Rating Band C?**

We believe that 2030 is too late to mandate action for the owner/occupied sector (see our answers to question 1, 8 and 10). Regulation is essential because it will:

- Shape the market so property values reflect energy performance
- Drive uptake of advice, support and improvements in advance of regulation coming into force
- O/O sector makes up 61% of the housing stock.

Without regulation we believe progress will continue at business as usual rates which is inadequate to achieve climate change and fuel poverty targets, and to reach Energy Efficient Scotland milestones.

Instead, we believe the government should commit to the following:

- Set a statutory target for the energy performance of the vast majority of the housing stock to be at EPC band C or above by 2030
- Commit to implementing a mandatory standard of EPC C before 2030 for the owner/occupied sector, along with a comprehensive engagement programme and financial incentives that will aim for maximum voluntary compliance in advance and minimal requirement for enforcement action.
- Develop regulations in 2018/19, so it is possible to foreshadow regulation and encourage voluntary action in advance
- Review progress of voluntary action on a regular basis and assess and amend engagement and incentive programmes as required.

**12. What are your views on our proposal for owner occupied properties to be subject to penalties for non-compliance?**

We agree there will need to be penalties (financial, not criminal) for non-compliance to ensure the regulations are credible and will lead to change. The level of penalty must be sufficient to act as a deterrent for non-compliance.

However, we think the most effective means to encourage compliance will be through positive and supportive engagement efforts, including attractive financial incentives. These would frame energy efficiency in terms of 'warmth', 'comfort' and a modern, desirable home.

We believe that regulating at the point of sale allows the conveyancing process to facilitate compliance. This will be a very effective means of enforcing change and should minimise the need

for penalties. It would also allow the option of the house seller to pass on the requirement to the buyer.

Some thought should be given to means to achieve compliance beyond penalties – e.g. through enforcement orders to require improvements.

We also think consideration should be given to using the trigger of ‘consequential improvements’ for regulation of the owner/occupied sector. This would make sense because it is at the time of major refurbishments that it is easiest and most economical to undertake energy performance improvements and ties in with the homeowners’ desire to improve the overall home. In this case, enforcement would be through the existing building warrant procedures.

The current review of the energy part of the domestic building standards should include the existing stock in its remit, and a review of the current standards as they apply to major refurbishments.

**13. What are your views on requiring all types of accommodation to meet the Long-Term Domestic Standard over time? Please explain your answer, giving examples of accommodation you think should/should not be required to meet the Long-Term Domestic Standard if relevant.**

We think it is important that all types of accommodation are included in the Energy Efficient Scotland Route map. Everyone should be entitled to live in a warm, dry, affordable to heat home that does not pose a health hazard to them regardless of tenure

In the previous consultation on the PRS, we expressed our support for including agricultural tenancies and holiday lets in the regulations. While it is positive that ministers are ‘considering’ the issue of agricultural tenancies, we strongly believe this should be a commitment with a firm timetable to work with stakeholders to apply the Repairing Standard to agricultural tenancies in the near term. The same applies to holiday lets and HMO’s – where ‘further work’ is referenced. This is an area of increasing concern with the growth of the use of AirBnB and similar platforms that can lead to a practice of short term lets avoiding regulatory requirements for the PRS.

The reviews of the agricultural tenancies and holiday lets should be completed in the near term, so they do not get left behind in the Energy Efficient Scotland programme.

**14. Please provide your views on our proposal that all homes with fuel poor households are able to reach EPC Energy Efficiency Rating Band C by 2030, where technically feasible and cost effective?**

We agree that the Energy Efficient Scotland Programme should give priority to removing poor energy performance as a driver for fuel poverty. Furthermore, we welcome the commitment in the draft fuel poverty strategy to removing poor energy performance as a driver of fuel poverty, although we recognise that energy efficiency alone will not eradicate fuel poverty, action must be taken on improving incomes, reducing energy prices, and managing energy use.

The target set out in the route map is like the aspiration for England for “2.5 million fuel poor homes in England improved to energy efficiency rating C or better by 2030.”<sup>5</sup> As noted in our answer to question 1, Scotland is starting from a better place than in England, with 39% (vs 30% in England) of

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<sup>5</sup> UK Clean Growth Strategy, BEIS

the housing stock already at EPC band C or above. Therefore, it would be reasonable to expect Scotland to achieve this standard more quickly.

In essence, the EES target for fuel poor households focuses on the owner-occupied sector, as proposed targets for the whole of the PRS are for EPC band C by 2030 and proposals for the social sector will exceed this level. Furthermore, we have already argued that the owner-occupied sector should also reach EPC band C by 2030.

Therefore, consideration needs to be given as to what giving 'priority' to fuel poor homes means in the delivery of programmes and allocation of funding. Already we have witnessed the acceleration of improvements in areas of deprivation through the success of the HEEPS-ABS approach, coupled with the national Warmer Homes Scotland, which provides a certain amount of grant support for those deemed to be fuel poor.

We should build on these programmes, expanding in both pace and scale so they will deliver and exceed the expected standard (so we don't have to return to the same areas for further retrofit). This will mean more funding for ABS programmes focusing in areas of deprivation so all fuel poor households receive support. The ABS programmes will need to evolve to provide both insulation and low carbon heat that is affordable.

We recommend the development of a strand of work on 'deep retrofit' – or a whole-house approach to retrofit – where appropriate in terms of the building typology and energy savings that can be achieved. This would avoid the problem of having to return to these properties in the coming decades to achieve the near-zero carbon ambition for 2050.

This will require research and development into financing models (e.g. comfort as a service) and off-site pre-fabrication which can cut costs and reduce disruption.

**15. Please provide your views on our proposal that all homes with fuel poor households are to reach EPC Energy Efficiency Rating Band B by 2040, where technically feasible, cost-effective and possible within limits affordable to the public purse?**

We believe this is a reasonable expectation, with allowance for exceptions (technically feasible and cost-effective) and indeed would expect this standard to be met earlier given the priority given to fuel poor households. This will mean that fuel poor households in private housing can at last enjoy the same energy performance standard – and the comfort, affordable energy, and healthy home – that social housing provides.

In terms of the qualifier – 'limits affordable to the public purse' – we would require further definition of this requirement, and an understanding of who and how the limit would be determined.

We believe there will be areas where it will be possible and economical to reach EPC band B sooner by taking a 'whole-house' approach (noted in our answer to question 14) and these opportunities should be taken forward as a priority.

**16. In addition to what we have set out in paras 46-50, what should the Energy Efficient Scotland Assessment Short Life Working Group also consider? Please explain your answer.**

We commend the Scottish Government's efforts to address concerns relating to the assessment process. We are keen to see the results of the workshops conducted earlier in 2018 based on issues

raised in the SEEP consultations. These workshops have come some way in 'myth busting' perceived problems with the SAP assessment methodology and identifying those issues which must be addressed for EPC's to be used in wider policy applications.

Improving and/or supplementing the existing assessment process is critical to the credibility and therefore success of Energy Efficient Scotland. The assessment should answer the following questions:

- What is the current energy performance rating of my property?
- Does it comply with the required (recommended) standard?
- If not, what do I need to do to comply? Advice, measures, process, expertise required.

The consultation does not set out a remit for the working group. In our view, the remit should include:

- Accessibility of information to homeowner
- Affordability and cost-effectiveness
- Process for updating in terms of technologies, prices
- Skills and certification of assessors, specifiers and installers
- Uniform (across the board) quality assurance procedures
- Relationship to repairs and maintenance

**17. What are your views on whether the Long-Term Domestic Standard should be enforced at local or national level? Please explain your answer.**

We believe there will be a role to play at both the national and local levels.

It is envisioned that local authorities should be responsible for enforcement of the mandatory standard for landlords. While this aligns with other local authority responsibilities for regulating the PRS, we are concerned that local authorities have sufficient resources to fulfil this role.

We also think it is worth considering if the PRS standard could be enforced through the Repairing Standard, which has an enforcement procedure through the Housing and Property Chamber of the First Tier Tribunal.

In terms of owner-occupiers, we would expect the conveyancing process to provide a facilitating role to support compliance.

If the trigger of major refurbishment was used, the building standards would be used as the route for enforcement.

Importantly, it will be important to use voluntary routes to assist compliance, for example through stakeholder groups such as letting agents and estate agents good practice guidance.

However, as noted above,

At the national level, we have consistently argued for an oversight body for Energy Efficient Scotland. This oversight body should support fair and effective compliance with the standard as follows:

- Ensuring a level playing field in enforcement across all of Scotland.

- Work closely with local authorities and stakeholders to support compliance – e.g. Scottish Association of Landlords, Letting Agents, Shelter Scotland, Age Scotland and other related organisations.
- Provide support and capacity building to local authorities in their engagement and enforcement efforts.
- Oversee national programmes of advice and support through Home Energy Scotland to maximise positive compliance.

**18. Non-domestic – no response**

**19. Non-domestic – no response**

**20. Non-domestic – no response**

**21. Non-domestic – no response**

**22. Non-domestic – no response**

**23. Non-domestic – no response**

**24. Non-domestic – no response**

**25. What additional data would help building owners in the delivery of the Energy Efficient Scotland Programme? How would this be used?**

Tenements and flats: Development of whole building information, along with repairs, maintenance and improvements (e.g. energy efficiency) plans (The Under One Roof proposals are relevant here)<sup>6</sup>. Further consideration is required on how the standard and cost-effectiveness and technical feasibility tests will be applied. For example, in some cases it may be cost-effective to undertake improvements for the whole building, but not individual flats (external wall insulation, district heating). Every effort should be made to facilitate action in tenements and flats as they make up such a significant proportion of the housing stock.

Property ‘passports’: This product could be developed to provide a pathway to homeowners and landlords to achieve near zero carbon property.<sup>7</sup>

Smart meter energy data: With more homes now fitted with smart meters, there are new opportunities to use of real time energy data to inform and motivate behaviours to improve energy performance. Already new products and mechanisms are being developed (tariffs, ESCOs) that can provide new ways of financing retrofits.

**26. What additional data would be helpful to others in the delivery of the Energy Efficient Scotland Programme? How would this be used?**

See response to question 25.

**27. We will investigate the benefit in providing new online resources or tools to support building owners to access and use data to help them improve their properties. What particular types of resources or tools would you find useful and why?**

<sup>6</sup> <http://www.underoneroof.scot/>

<sup>7</sup> <http://bpie.eu/publication/renovation-passports/>

Home Energy Scotland has a track record in providing online tools to support telephone and face-to-face advice. It would be useful to learn from an evaluation of these tools to understand what works best for homeowners and landlords.

One suggestion is to provide an online tool that would allow people to find out an estimate of their property's EPC rating using the current methodology (see answer to question 6). This could also be achieved through an improvement in the Improvement Recommendations on an EPC as EPCs are replaced.

**28. In addition to the above, we welcome any specific comments or observations you may have on the future use of the data that is gathered from energy assessments.**

We recommend exploring how this data could be more accessible and publicly available as in England and Wales for better targeting of resources. We acknowledge concerns that bulk data could be used by businesses for cold approaches and this is to be avoided.

**29. What are your views on the implementation and enforcement of existing legislation relating to energy efficiency and heating of buildings in Scotland?**

Tenements and the law:

The legal situation for tenements is complex and hinders action to undertake energy improvements. This is unlike flats and tenements elsewhere in Europe, where there are management and financial arrangements in place with encourage pro-active improvements – e.g.:

- Owners' association
- Obligation to meet
- Maintenance plan
- Sinking fund

We believe there should be a requirement for management arrangements to be in place to initiate, coordinate and implement retrofit projects.

There is a need to compile data on common title deed provisions and consider how the legal situation could be improved to encourage and where necessary mandate action.

There is also a need to understand the extent of current local authority powers, how they could be extended to energy efficiency improvements (e.g. powers to enforce safety standards) and how they are being used (or not) to good effect.

Planning requirements

The Scottish Government in partnership with local authorities and key stakeholders should undertake a review of how planning legislation (including permitted development orders and conservation area / listed building designations and restrictions) should be amended to facilitate the transition to near zero carbon buildings while protecting the integrity of the buildings' cultural and historical values.

Building Regulations

The current view of the energy part of the building regulations should incorporate existing as well as new buildings. This should include detailed consideration of applying standards at the point of major refurbishment.

**30. What changes may be needed (if any) to the existing legislation to ensure that the Scottish Government, local authorities, and any other relevant bodies or persons, have the powers and duties necessary to support the Energy Efficient Scotland Programme?**

We support the introduction of a duty on local authorities to produce Local Heat and Energy Efficiency Strategies. However, such a duty must be accompanied by the resources to fund the implementation of the strategies.

As noted above, changes are needed to Sections 6 and 7 of the Building Standards.

**31. What other elements of the Programme may require new or amended legislation to enable the Energy Efficient Scotland Programme to operate?**

Financial incentives

The success of EES will rely on the deployment of a range of financial and fiscal incentives to encourage the uptake of energy efficiency and low-carbon heat improvements. The design of such incentives should be based on an evaluation of the experience of loans, equity release loans, cashbacks, and grants administered by EST on behalf of the Scottish Government, as well as experience from elsewhere in Europe.

For example, it might be possible to enhance the council tax rebate provisions in the Climate Change (Scotland) Act 2009 (CCA) and/or using the Land and Buildings Transaction Tax (Scotland) Act 2013 (LBTT) to reward action to improve energy performance in buildings.

There should be a requirement on the government to review the potential for these incentives, or others, within 12 months.

**32. Which organisation(s) should be responsible for delivering any new legal requirements?**

We have argued for an independent body with the remit for overseeing the delivery of the National Infrastructure Priority (NIP) in Energy Efficiency in Scotland. This body would be responsible for strategic oversight and coordination of Energy Efficient Scotland and for ensuring its effective delivery. The body would report to Ministers and the Parliament against the Energy Efficient Scotland route map and statutory targets.