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# NORTH AYRSHIRE COUNCIL

20 February 2024

## Cabinet

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**Title:** Scottish Government Consultation on the proposed Heat in Buildings Bill

**Purpose:** To provide Cabinet with details of the proposed Heat in Buildings Bill and to seek approval of the proposed response to the Scottish Government consultation.

**Recommendation:** That Cabinet: (i) notes the potential implications arising from the proposed Heat in Buildings Bill; and (ii) approves the proposed response at Appendix 1 to the consultation document.

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## 1. Executive Summary

- 1.1 The Climate Change (Emissions Reduction Targets) (Scotland) Act 2019 requires that net zero emissions are achieved by 2045, with associated interim targets. Emissions from buildings are the third largest source of greenhouse gas emissions in Scotland.
- 1.2 In response to this challenge, a consultation has been published by the Scottish Government setting out proposals for a Heat in Buildings Bill to:
  - prohibit the use of polluting heating systems after 2045 in all buildings (2038 for public sector non-domestic buildings) and, before then, within a fixed period (not yet specified) after a point of property purchase or when a heat network connection is available; and,
  - require a minimum energy efficiency standard by 2028 for the private rental sector, and 2033 for owner occupiers.
- 1.3 Cabinet approval is sought for submission of the proposed response to the consultation at Appendix 1 to the Scottish Government.

## 2. Background

- 2.1 The Climate Change (Emissions Reduction Targets) (Scotland) Act 2019 requires us to reach net zero emissions by 2045, with interim targets of 75% reduction in emissions by 2030 and a 90% reduction in emissions by 2040. The Council declared a climate emergency and aims to achieve net zero carbon emissions by 2030.
- 2.2 The Council's latest Sustainable North Ayrshire strategy sets out the pathway to achieving this ambition, and includes a strategic priority to act on emissions from heat, including through project pathfinder approaches for decarbonisation of domestic and non-domestic buildings to bring scale and pace to emissions reduction.
- 2.3 The way in which homes, businesses and public buildings are heated is the third-largest cause of greenhouse gas emissions in Scotland. Most heating systems burn fossil fuels such as gas, oil and liquid petroleum gas (LPG). These are known as 'direct

emissions heating systems' because they produce emissions when we use them. In order to decarbonise heating systems, we need to adopt clean heating systems which do not produce any greenhouse gas emissions at the point of use. Some examples of clean heating systems include heat pumps, high efficiency electric storage heaters and heat networks.

- 2.4 It is recognised that whilst some households, business and public sector buildings are working towards heat decarbonisation and improved energy efficiency, the pace of change falls short of what is required to reach our climate change targets.
- 2.5 It is estimated that approximately 89% of homes and 49% of non-domestic premises are using fossil fuel heating at present, while around 55% of homes do not meet what is considered a good level of energy efficiency, i.e. an Energy Performance Certificate (EPC) rating of C or above.
- 2.6 In response, the Scottish Government is proposing to introduce a Heat in Buildings Bill containing the powers to create a new 'Heat in Buildings Standard'. The draft Bill and Standard would include the following regulations:

In all buildings (including non-domestic)	In owner occupied homes	In private rented homes
<ul style="list-style-type: none"> <li>• Prohibit use of fossil fuel as main heating source from 2045.</li> <li>• All buildings owned by a Scottish public authority to be using clean heating systems by the end of 2038.</li> </ul>	<ul style="list-style-type: none"> <li>• Require homes to meet minimum energy efficiency standard by the end of 2033.</li> </ul>	<ul style="list-style-type: none"> <li>• Require landlords to meet a minimum energy efficiency standard by the end of 2028.</li> </ul>

Prohibition of fossil fuels

- 2.7 A prohibition on fossil fuels as the main heating fuel would ban the use of heating systems such as gas boilers, oil boilers or LPG to provide heat or hot water in homes and non-domestic buildings. In practice, this would mean that homes and non-domestic buildings will instead need to use clean heating systems such as heat pumps, electric storage heaters or heat networks. The clean heating system that a building should move to will be a choice for the owner, with the systems suitable for their buildings varying depending on a range of factors such as size, construction type and nature of the building use.

Non-Domestic Buildings

- 2.8 The Council has 630 non-domestic properties of which 131 use gas, 20 use biomass, four use oil, and one uses LPG, with the remainder using electricity as the main heating fuel. The requirement to move to clean energy solutions is necessary to achieve net zero emissions; it is the type of technology, energy efficiency solutions to support the new heating system, and of course the capital cost which requires further consideration. Furthermore, the planned and reactive maintenance schedules and their associated costs for new clean heating systems also need to be factored in. Local authorities are not currently resourced to provide the level of investment required to fully decarbonise building stock.

Owner Occupied Housing Stock

- 2.9 A good level of energy efficiency is defined in the Heat in Buildings Strategy as equivalent to EPC band C. EPCs are a legal requirement whenever a home or non-domestic building is advertised for sale or let. It is proposed in the Bill that, by

stipulating a straightforward list of energy efficiency measures, this minimum standard could be met in an affordable manner. The proposed list of measures is as follows:

- 270mm loft insulation
- Cavity wall insulation
- Draught-proofing
- Heating controls
- 80mm hot water cylinder insulation
- Suspended floor insulation

- 2.10 It is further proposed that if an owner occupier installs a clean heating system, they will not be required to meet the energy efficiency standard, although will be encouraged to do so. This is because by switching to a clean heating system, an owner would remove carbon emissions associated with heating.
- 2.11 There are no proposals to set a minimum energy efficiency standard for non-domestic buildings. The variety of size, construction type, and nature of use of non-domestic building would render a prescriptive list of measures ineffective.
- 2.12 It is proposed within the consultation that those purchasing a property (either domestic or non-domestic) will be required to comply with the prohibition of a fossil fuel heating source within a specified amount of time following completion of the sale. Further proposals and regulations are being developed around this proposed requirement including the use of a post-sale grace period for compliance.
- 2.13 Traditional properties, which make up a significant proportion of Scotland's homes and buildings, may have different requirements based on their construction type, location or status, and work is ongoing with Historic Environment Scotland to find the best solutions for these buildings while being sympathetic to their character and features.

#### Private Rented Housing Stock

- 2.14 An earlier date for meeting the minimum energy efficiency standards is set for the private rental sector in order to help address the Scottish Government's obligation to tackle fuel poverty. The standard aims to support tenants to have warmer homes that are easier and less expensive to heat, whilst enhancing the quality of the asset for the landlord.
- 2.15 It is proposed within the consultation that even if a private rented property installs a clean heating system, it will also be required to meet the energy efficiency standard. Properties in the private rented sector which do not meet the energy efficiency standard by the end of 2028 would not be allowed to be leased to a new tenant, should the existing tenant vacate.
- 2.16 The Heat in Buildings Standard will not be applied to the social rented sector, as recommendations for social rented stock are currently being consulted on through the Social Housing Net Zero Standard (which is subject to a separate report to Cabinet). However, the Council will be required to consider what the Heat in Building Standard means our non-domestic estate, and how to support implementation in private sector housing.
- 2.17 The Council currently supports private sector households in relation to energy efficiency and decarbonisation through various services and programmes, for example energy advice and support through Energy Smart, alongside provision of measures through ECO Flex and annual Area Based Schemes.
- 2.18 The role of local authorities in the implementation of the Heat in Buildings proposals is not sufficiently clear, and this is reflected in our consultation response.
- 2.19 A recurring consideration in the proposed consultation response is the resources required to deliver on the proposed aspirations. The new clean heating systems

required for Council owned non-domestic properties are not deliverable within current local authority funding envelopes. The Council is undertaking a review of the non-domestic estate to identify the decarbonisation measures required, and indicative costs, to achieve net zero. This information will help to determine the most suitable technology and support future any opportunities for external grant funding applications.

- 2.20 There also remains questions as to how the implementation of clean heat and energy efficiency standards will be monitored and enforced across the area. The current EPC enforcement regimes are inadequately resourced and applied to varying degrees, thus demonstrating that a significant level of resource would be required if the Council were to be the enforcing body, either through EPC monitoring or sampling methods.
- 2.21 The purpose of this consultation is to raise awareness of Scottish Government's proposal to make new laws around the heating systems that can be used in homes and places of work, and it seeks views on those proposals. A cross-service response has been prepared, which reflects the comments above and other observations, and is provided at Appendix 1. The Heat in Buildings Bill aligns with the aspiration of the North Ayrshire Council Plan priority of addressing climate change, and the new Sustainable North Ayrshire strategy, to achieve net zero emissions. Further clarity is required on the specific role of local authorities and the resources required to achieved the ambitions articulated.

### **3. Proposals**

- 3.1 It is proposed that Cabinet approves the consultation response at Appendix 1 for submission to the Scottish Government.

### **4. Implications/Socio-economic Duty**

#### **Financial**

- 4.1 The financial implications of the proposals being consulted on will be significant for local authorities, and this has been raised repeatedly in the proposed consultation response.

#### **Human Resources**

- 4.2 If implemented, the proposals being consulted on would require additional human resources for delivery, monitoring and enforcement. The nature and extent of such resources is not yet clear. This is reflected in the proposed consultation response.

#### **Legal**

- 4.3 Under the Climate Change (Emissions Reduction Targets) (Scotland) Act 2019, all public bodies in Scotland have a duty to contribute to the delivery of the net zero emissions target.

#### **Equality/Socio-economic**

- 4.4 The ambition to decarbonise heating systems and improve energy efficiency in all buildings contributes to our socio-economic duty by ensuring our homes and buildings are well insulated and energy efficient, making them cheaper to heat and reducing their emissions.

## **Climate Change and Carbon**

4.5 The consultation responses support the Council's net zero ambitions and aspiration to reduce fuel poverty across North Ayrshire.

## **Key Priorities**

4.6 The consultation responses are in keeping with the aim 'To achieve net-zero by 2030' within the Council Plan 2023-28.

## **Community Wealth Building**

4.7 There are no community wealth building implications arising from the report.

## **5. Consultation**

5.1 The consultation documents have reviewed by various Council services including Protective Services, Property Management and Investment, Housing Strategy & Development and Sustainability to provide a cross-service response.

RUSSELL McCUTCHEON  
Executive Director (Place)

For further information please contact **David W. Hammond, Head of Sustainability, Corporate Property & Transport**, on (01294) 324514.

## **Background Papers**

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## Respondent Information Form

**Please Note** this form **must** be completed and returned with your response.

To find out how we handle your personal data, please see our privacy policy:

<https://www.gov.scot/privacy/>

Are you responding as an individual or an organisation?

- Individual  
 Organisation

Full name or organisation's name

North Ayrshire Council

Phone number

Address

Cunninghame House, Irvine, Ayrshire

Postcode

KA12 8EE

Email Address

The Scottish Government would like your permission to publish your consultation response. Please indicate your publishing preference:

- Publish response with name  
 Publish response only (without name)  
 Do not publish response

### Information for organisations:

The option 'Publish response only (without name)' is available for individual respondents only. If this option is selected, the organisation name will still be published.

If you choose the option 'Do not publish response', your organisation name may still be listed as having responded to the consultation in, for example, the analysis report.

We will share your response internally with other Scottish Government policy teams who may be addressing the issues you discuss. They may wish to contact you again in the future, but we require your permission to do so. Are you content for Scottish Government to contact you again in relation to this consultation exercise?

- Yes  
 No

## Questionnaire

### Question 1

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.

North Ayrshire Council supports, in principle, the proposal to prohibit the use of polluting heating systems in buildings after 2045, as this is aligned to both national and local net zero targets.

Whilst the proposals for the Bill are ambitious and necessary to support carbon emission and fuel poverty reduction, success will be reliant on addressing the financial and technical challenges associated with improved fabric efficiency of buildings and replacement of polluting heating systems. A clear routemap for delivery is required which address funding constraints for building owners, risks of higher operation and maintenance costs than traditional heating solutions, alongside the skills and supply chain investment that is required for roll-out of energy efficiency measures and replacement heating systems at scale.

### Question 2

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.

This proposal would support both the Council's and national net zero targets. In relation to fuel poverty, installing energy efficiency measures would make homes more energy efficient, easier to heat and, by further installing clean heat, this would reduce the financial burden on tenants. The Council's Local Heat and Energy Efficiency Strategy (LHEES) clearly identified specific strategic energy efficiency measures (such as loft and wall insulation, cylinder insulation and glazing) which would improve energy efficiency of properties and further reduce fuel poverty within North Ayrshire domestic properties.

It is, however, anticipated that there would be difficulties for private sector landlords to install measures by 2028 to meet the minimum energy efficiency standard without additional resource and support. Feedback from our LHEES consultation with private landlords suggests that costs to install any energy efficiency measures are often cost-prohibitive, with no direct means for the landlord to recover the expenditure.

If the building is of mixed tenure, private sector landlords generally cannot influence other owners in the building to carry out installation of the same measures at the same time. The different proposed target timescales for different tenures should also be addressed within final proposals to ensure implementation is feasible. Concerns regarding skills and supply chain to undertake the work, as well as having clarity on which measures contribute to an improvement on EPC rating, are also noted.

Further clarity is required on how the clean heat and energy efficiency standards will be monitored and whether this would become part of the Repairing/Tolerable Standard.

### **Question 3**

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.



We welcome the ambition to reduce carbon emissions and reduce fuel poverty through the introduction of minimum energy efficiency standards. Making homes more energy efficient and easier to heat by installing energy efficiency measures first and then addressing the need for clean heat would reduce the financial burden for owner occupiers and reduce carbon emissions for North Ayrshire and Scotland. However, the costs for owner occupiers to install any required energy efficiency measures and clean heating systems are likely to be cost prohibitive to meet the 2033 timescale due to the scale and volume of interventions required. There is also a lack of clarity on what the most effective measures are for a given property. This was reinforced through our recent LHEES consultation feedback.

Mixed tenancy, mixed use properties will be more challenging where all residents may not be able to afford or want to make improvements at the same time, due to the different proposed legislative compliance timescales.

Historic properties and off-gas properties (particularly in rural and islands) cannot always incorporate the energy efficiency measures or clean heat options. These would need to be reviewed on a case by case basis. There are also difficulties in securing contractors at reasonable cost to undertake works and repairs in more remote locations, alongside general challenges in terms of supply chain and skills capacity.

#### Question 4

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.

The proposal to set a minimum energy efficiency standard by installing the straightforward fabric measures listed is welcomed in principle, in order to provide a level of clarity for building owners in terms of the most effective measures to pursue.

The wider financial and supply chain challenges in implementing the measures are noted in our responses above.

Any standard list needs to take cognisance of the fact that a 'one size fits all' approach to measures is challenging in practice due to the variety of building types and potential gaps in knowledge of building maintenance, including previous improvements.

### Question 5

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.

We agree with the proposed list of fabric measures to support the minimum energy efficiency standard. However, we would recommend that the list needs to be developed further to prioritise the measures that would have the most impact for properties, including with reference to cost and level of disruption, and how this would align with our LHEES.

Financial support and information resources will be key to enabling successful uptake of the measures.

### Question 6

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?

- 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.
- 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
- 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
- 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.

Our LHEES identified, based on Home Analytics data, that in North Ayrshire around 40% of domestic properties will require an energy efficiency measure(s) and/or installation of clean heat to improve their Energy Performance Certificate (EPC) rating to C or better. All domestic properties, where practical and cost effective, should be required to meet or exceed the standard, which could include installing additional/different measures based on the result of an EPC assessment of the property. However, consideration on a case-by-case basis needs to be taken into account for historic, rural and hard to treat properties, alongside the other financial and supply chain issues noted in our other responses.

### Question 7

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.

The proposals in the consultation paper detail the requirements for the introduction of setting a minimum energy efficiency standard. In principle, this approach appears appropriate and practical, and will support emission reductions and help reduce fuel poverty, alongside supporting national and local net zero targets.

Affordability for the cost to install energy efficiency measures and clean heat are, as noted elsewhere in our responses, a significant concern.

### Question 8

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

- No, it should be prohibited in all cases
- Yes, it should be permitted for those buildings already using it
- Yes, it should be permitted for those buildings who have no other clean heating system available.

### Question 9

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.

The ability for homeowners to fund a new clean heating system, within the grace period, could simply be out with their financial capability. There are also questions regarding how compliance would be monitored and enforced.

While we welcome the scenarios laid out in the consultation document, there remains a significant concern over the affordability for building owners to fund the measures required.

### Question 10

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?

- Yes - the grace period should be two years
- Yes – the grace period should be three years
- Yes – the grace period should be four years
- Yes – the grace period should be five years
- No, please provide reasons for your view.

Compliance within the grace period will depend on each individual property owners' financial circumstances. The proposal to provide information to the buyer from a variety of sources, in advance of the sale, to raise awareness of timescales and requirements is a pragmatic approach.

### Question 11

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 provide reasons for your view.

The proposal to apply a cost-cap is practical and will provide reliable upfront information for potential buyers and sellers. However, it is noted that there may be some unintended consequences and we would welcome further clarity and suggested resolution to those.

Also, we would recommend a level of quality assurance from contractors, so that purchasers are not left with issues arising from poor quality installations.

Furthermore, upskilling in the marketplace and further education will be required to

### Question 12

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

- A flat cost-cap
- A size-based cost-cap
- A purchase price-based cost-cap
- None
- Another, please suggest below

Please provide alternative

There are disadvantages to each of the proposed cap solutions, and we would require further details on each in order to provide meaningful feedback.

### Question 13

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.

This proposal requires further details before we can respond.

#### Question 14

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.

Heat networks should support national and local net zero targets and allows local authorities to fulfil their duties under the Heat Network (Scotland) Act 2021.

The Council's LHEES highlighted that North Ayrshire has a relatively low density of heat demand (around 3.5% of domestic properties) which limits the opportunities for heat networks.

There is a distinction between having powers and exercising them. We are aware that business cases for heat networks, in our experience, are highly sensitive to a number of factors, including type of fuel, number of buildings and associated heat load, nature of project (new build or refurbishment) and utility costs. This means that projects must be considered on a case by case basis to ensure they are viable, that running costs for those connecting will be affordable, and that connection costs to the network are reasonable. These will be key considerations in the exercise of any powers to mandate the termination of polluting heating systems.

The nature of monitoring and compliance of any requirement also needs to be considered.

### Question 15

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.

Heat networks should support national and local net zero targets and allow local authorities to fulfil their duties under the Heat Network (Scotland) Act 2021.

The Council's LHEES highlighted that North Ayrshire has a relatively low density of heat demand (around 3.5% of domestic properties) which limits the opportunities for heat networks.

There is a distinction between having powers and exercising them. We are aware that business cases for heat networks, in our experience, are highly sensitive to a number of factors, including type of fuel, number of buildings and associated heat load, nature of project (new build or refurbishment) and utility costs. This means that projects must be considered on a case by case basis to ensure they are viable, that running costs for those connecting will be affordable, and that connection costs to the network are reasonable. These will be key considerations in the exercise of any powers to mandate the termination of polluting heating systems.

The nature of monitoring and compliance of any requirement also needs to be considered.

### Question 16

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.

The Council's LHEES includes analysis of the Non-Domestic Analytics datasets and the outputs of the first national assessment of heat networks for North Ayrshire's non-domestic stock. The Non-Domestic Analytics dataset had data gaps, which limited the analysis of non-domestic buildings and further data collection and investigation will be required.

The proposal to require occupiers of non-domestic properties to provide information about unused heat on their premises would improve available datasets and allow the Scottish Government and local authorities to undertake more detailed analysis to identify and develop potential heat network opportunities.

### Question 17

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.

Our LHEES recognises that there are some potential heat network opportunities in the North Ayrshire area. In addition, there may be opportunities to connect to other significant heat loads with adjoining local authorities. The proposal to potentially require buildings with unused heat to provide this to a local heat network would support local opportunities to decarbonise heat, reduce emissions and reduce fuel poverty.

However, any requirement for discharge of waste heat from buildings into a heat network will require detailed consideration. We would suggest that the requirement is to investigate the viability of connection as opposed to mandating a connection for discharge of waste heat.

### Question 18

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?



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

Collection of both sets of information would enhance accuracy of non-domestic data. Using the already familiar EPC methodology will ensure consistency in capturing and reporting data. A desktop sampling audit would ensure compliance and accuracy of EPC for buildings.

However there are resource implications for each local authority should this be undertaken, which cannot be met within current resources.

### Question 19

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?

- I support relying on market and financial product mechanisms such as mortgages or home/ building insurance
- I support extra Council Tax and Non-domestic Rates charges, in future, for those who don't comply
- I support the introduction of civil penalties, in future, if compliance is not achieved
- I support a mixture of the above options
- I do not support any form of enforcement

Please explain your answer:

If enforcement lies with local authorities, we would need to understand what resources would be provided to discharge these responsibilities before being able to respond.

Other enforcement and sanctions consultations which are currently underway in relation to the Building (Scotland) Act may offer additional insight into the legal complexities, resources and barriers to effective enforcement of built environment issues. In addition, the current EPC enforcement regimes are inadequately resourced and applied to varying degrees, demonstrating that a significant level of resource would be required if local authorities were to be the enforcing body and be responsible for sampling.

### Question 20

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.

Hard to treat, rural and historic properties would need to be reviewed on a case by case basis as energy efficiency measures and clean heat options may not be suitable for these buildings, which in effect would result in non-compliance with the standard.

### Question 21

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

- Listed buildings
- Mixed use mixed tenancy (due to different timescales for compliance)
- People in fuel poverty / extreme fuel poverty
- First time buyers
- Rural properties (due to difficulties to access suppliers / repairs and additional costs i.e. "island premium")

### Question 22

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

- X Strongly support
- Somewhat support
- Neither support nor oppose
- Somewhat oppose
- Strongly oppose
- Don't know

Please include any additional comments below.

We are supportive for additional time to be provided to hard to treat, rural and historic properties. These buildings need to be reviewed on a case by case basis as energy efficiency measures and clean heat options may not be suitable for these buildings, which in effect would result in non-compliance with the standard.

### Question 23

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

See response above.

### Question 24

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.

It is recognised that local authorities should lead by example. This proposal would help provide a degree of certainty for a pipeline for work for skills and supply chains to be developed to ready the market for commercial properties. Our LHEES and Ayrshire Energy Masterplan will help identify decarbonisation opportunities within our non-domestic estate but may require further analysis and investigation.

However, the resourcing of this proposed requirement is key. Local authorities are currently unable to meet decarbonisation requirements for building stock within existing financial envelopes. In addition, further personnel resource (either internal or external to local authorities) will be required to identify, design, implement and monitor the projects associated with the proposal.

## Question 25

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

- Placing a new duty on public sector organisations which would, from 2025, prevent them from replacing a polluting heating system with another (unless impractical)
- Creating a new duty for each public body to develop and implement a plan to decarbonise their buildings
- 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
- 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)

[Multiple choice boxes]

Please include any additional comments below.

We welcome the proposal to halt fossil fuel use and develop a plan to decarbonise the heating systems in our existing stock. Additional resource will be required to undertake these tasks. The current Public Bodies Climate Change Duty requires robust reporting, therefore we would suggest this is the format used for compliance, rather than a further reporting requirement, which would lay more administrative burden on local authorities.

The LHEES and energy masterplans could be used to support this work.

## Question 26

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

The current target does not capture the ways in which we are performing on heat decarbonisation and emissions.

### Question 27

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

We would welcome the UK Energy Act being reflected in the Heat Networks (Scotland) Act as it includes new consumer protections for heat network consumers.

### Question 28

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

N/A.