



Association for the  
Conservation of Energy

# The Home Energy Conservation Act

## January 2005



**Friends of  
the Earth  
Scotland**

**parliamentary briefing**

The Home Energy Conservation Act (1996) charged Scottish local authorities with achieving 'substantial' improvements in domestic energy efficiency. The Secretary of State at the time issued guidance that this meant around a 30% improvement over 10-15 years, the target figure that English and Welsh authorities adopted. Unfortunately, in Scotland, local authorities managed to negotiate their targets down to as low as 9%, these targets were not mandatory, and there were no new resources allocated to local authorities for fulfilling HECA. For these, and other reasons, HECA is not fulfilling its potential.

### Why is HECA important?

Over a quarter of the CO<sub>2</sub> produced in the UK comes from domestic energy use. HECA should be a major tool in the fight against home energy inefficiency, and for energy conservation.

### HECA figures

Figures for the first four years of HECA show that 'substantial' improvements have not yet been attained. While results in individual local authorities vary greatly, the average energy efficiency improvement between 1997 and 2001 was only 6.9%. In order to be on target to achieve a 30% improvement within, say, 12 years, local authorities should have already made a 10% improvement. Only three local authorities achieved this.

When you compare local authorities' progress against their own adjusted targets the situation looks more favourable. Yet many local authorities are not even on track to meet these targets even though they are as low as 13% and 10.3% respectively in Dumfries and Galloway and Perth and Kinross..

### Average improvements

97-01 – 6.9%  
97-99 – 2.8%  
99-01 – 4.2%

### Regional comparisons

Three of the best :

Aberdeen : 14.5%  
West Lothian : 11.9%  
East Ayrshire : 11.3%

Three of the worst :

Borders : 2.5%  
Perth and Kinross : 3.9%  
Highland : 4.3%

Considering that the majority of work carried out so far has been to local authorities' own stock, it becomes apparent that the likelihood of most authorities reaching the aspirational 30% target is small. When authorities start to focus on the private sector, rates of progress are likely to diminish considerably.

Communities Scotland are due to publish new figures for the period 2001-03 shortly. These reports will mark the progress which local authorities have made at an approximate half way stage. Early indications are that there has been no significant increase in the rates of energy efficiency improvement.

### Comparison with England and Wales

Defra recently published the latest Home Energy Conservation Act energy efficiency improvement figures for England and Wales. Under the Act, all local authorities in England and Wales were set a 30% improvement target.

In order to have been on target, English local authorities ought to have made a 14%

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improvement by now on their 1996 figures. The average improvement was 12.5%. Nonetheless over a quarter of local authorities had achieved a 14% improvement, with the North East improving by 18.5%. In other words, even though English local authorities are behind schedule, the larger original targets are spurring them on to make more progress than is the case in Scotland.

## Barriers and solutions

**Ambitious, mandatory targets :** HECA should be amended to include ambitious mandatory local energy efficiency targets to ensure that the Executive commits sufficient resources to the Act and to create greater confidence in the energy efficiency market. Ambitious original targets have proved more effective in achieving higher rates of improvement in England and Wales. Furthermore, the Westminster Government has recently acknowledged the role of mandatory targets by giving itself powers to set binding HECA targets for local authorities.. These local targets should be supported by national energy efficiency targets, as again is the case in England where a 20% domestic energy efficiency target (2000-2010) has recently been set in an amendment to the Housing Bill. National targets should be a centre piece of the Scottish Executive's planned energy efficiency strategy.

**Resources :** HECA was introduced without any additional resources and there is a lack of consistency in the resources available. Additional resources should be allocated to the operation of HECA from both national and local sources, these should be ring fenced and successful pilot schemes should be retained rather than continually reinvented.

**Information :** Local authorities have neither sufficient nor accurate enough information on energy efficiency in private sector stock. EC Directive 2002/91 on the Energy Performance of Buildings, which has to be transposed into Scottish law by January 2006, requires that whenever a building is constructed, sold, or rented out, a certificate detailing its energy performance must be made available. This will require the energy auditing of all domestic properties. The Scottish Executive may introduce this measure in the forthcoming Private Housing Bill. The information gath-

ered should be collated to provide local authorities (and the Scottish Executive) more accurate information on the condition of the housing stock.

**Control :** Local authorities are required to improve energy efficiency in the private sector without any real powers to do so. Recent changes, such as the addition of minimum thermal efficiency standards to the Tolerable Standard, the introduction of the Scottish Housing Quality Standard and the requirement for private landlords to register with the local authority (Antisocial Behaviour Act 2004), should improve matters over coming years, but there is still more to do. For example, minimum energy efficiency or performance standards should be incorporated into private landlord registration conditions in the forthcoming Private Housing Bill. Building standards should also be improved to incorporate existing buildings in a meaningful way.

**Co-ordination :** The energy efficiency sector is very complex, with numerous agencies and organisations awarding grants and running an even greater number of schemes, leading to public confusion and repetition of effort. The sector needs greater co-ordination. The improvement in co-ordination could be supported by an expansion in, and clarification of, local authorities' responsibilities, and a requirement on local authorities to appoint a dedicated HECA officer, through amendment of HECA.

**Scope :** The scope of currently operating energy efficiency schemes fail to tackle large numbers of potentially energy inefficient properties and vulnerable groups of people. The schemes should be extended to incorporate, for example, household renewables to address energy efficiency in hard to heat homes, and to apply to additional groups of people.

## HECA review

Communities Scotland have promised a review of HECA after the publication of the 2001-03 Progress Report. Friends of the Earth Scotland looks forward to feeding into this review and discussing the above proposals with Communities Scotland.