**PeCAN submissions to the Working Group on Buildings Decarbonisation, for Community COP 26 East Hampshire in July and August 2021**

Ideas submitted for PeCAN by Greg Ford

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| **Outreach** |  |  |
| **Outreach to off-grid homes** with assistance to leapfrog gas and move straight to heat pumps, using community groups. | Do | Local |
| **Scale up retrofit advice** to domestic and commercial building owners, without duplicating existing services, for example supporting PeCAN's upcoming Petersfield Area SuperHomes whole home retrofit assessment service and funding an advice line for community groups such as Energy Alton. | Do | Local |
| **Create and share retrofit learnings** with more housing types including flats and terraces, and older buildings with poor fabric including listed buildings. This could build on Energy Alton's excellent online materials and findings expected from the Petersfield Area SuperHomes project. | Do | Local |
| **Outreach to residential landlords and tenants** to promote retrofit measures in the private rented sector, by supporting LAs and community groups to articulate the benefits to each group and the subsidies available. | Do | Local |

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| **Helping to build a retrofit workforce** |  |  |
| **Prioritise Local Authority and LEP business support for new installers** and local gas fitting companies entering the MCS retrofit space including training bursaries, rates relief, technical support, networking, procurement preference, awards and prizes. Similar support could be offered to building companies that encourage uptake of products with life-cycle Environmental Product Declarations and the use of Design for Deconstruction (DfD) principles. | Do | Local |
| **Create a national strategy to develop a retrofit workforce.** For heat pumps alone, retrofitting the UK's housing stock in 20 years will require a 'retrofit army' of ~100k competent fitters. This sector hardly exists at present (only 23 heat pump installers in Hampshire in 2019, acc. NEF Consulting), creating risks of bottlenecks and cowboy installations that could harm the sector's reputation. A national strategy should include local targets for the number of MCS qualified installers needed to retrofit the number of homes in each area; young speaker programme to encourage school students into the retrofit and construction industries; promote a more diverse retrofit workforce through incentives in procurement programmes; increase in funding for technical and Further Education colleges offering retrofit courses; incentives for existing gas fitters to retrain including course fees and bursaries for time spent training; a stable long-term retrofit grant framework for householders that will convince gas fitters and other workers that it is worth retraining (to remove fears that grants will be ended prematurely as with solar FITs or cancelled at short notice as with GHG); create an inspection and QA framework for retrofit training colleges and qualifications enforced by a public sector inspectorate that is fully independent from the industry (to end current quality problems in some heating courses, e.g. inaccurate materials, wrong demonstration equipment, giving out answers during exams, 100% pass rates…); link to wider education reforms such as life-time training allowances, German-style technical career pathways, and T-levels. | Lobby | National |
| **Reduce MCS paperwork for installers.** The administrative burden of processing MCS-linked grants such as RHI deters small traders from entering the retrofit business. The burden could be reduced by simplifying grant schemes, providing financial support to sole traders for subsidy-linked admin, and by changing their overall objectives of grant schemes. New objectives should give more emphasis to the quantity and quality of installations, economic stimulus effects, supporting the transition of the gas fitter industry, and less emphasis to the micro-policing of financial and value-for-money objectives. In practice, that could mean more generous retrofit grants and simpler allocation and certification processes, backed by a monitoring and enforcement framework. | Lobby | National |

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| **Buildings standards and regulation** |  |  |
| **Proper enforcement of building inspections**: make all private building inspections subject to random checking by fully independent LA inspectors, with additional randomised checks on large new builds sites, and adequate (ie increased) funding for LAs to carry out this task. | Do | Local |
| **Count the embodied carbon and full life-cycle impact of building products:** Amend the obligations on builders, developers and planners to ensure that the embodied carbon and full life-time environmental impacts of building materials including pollution and biodiversity impacts are fully integrated in disclosures and decisions. This could be done by supporting a certification system for a universal life-cycle Environmental Product Declaration and Activity, including Design for Deconstruction (for example CIBSE TM65: Embodied carbon in building services: A calculation methodology) and integrating it into building standards and planning frameworks. | Lobby | National |
| **Require landlords to upgrade inefficient homes:** add to the ‘carrot’ of retrofit subsidies a ‘stick’ to require landlords of EPC E, F, and G homes to register on a central database and submit an action plan to improve their EPC rating. Failure to do so would make it unlawful to rent out the property. There is a national database of EPCs so it would be easy for MHCLG to organise this system, probably without primary legislation as it could be done under Statutory Instruments. | Lobby | National |

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| **Planning** |  |  |
| **Propose revisions to Local and Neighbourhood Plans** to the highest energy efficiency and sustainability standards for new builds and renovations, including full life-cycle assessment of building materials to promote low environmental impact and reduce embodied carbon. Create a legal route for LAs to improve the energy efficiency parts of their Local Plan more quickly than the usual five-year cycle. | Do | Local |
| **Investigate a path to relaxing listed buildings** rules in our area to enable more retrofits. | Lobby | Local |
| **Align environmental policies in national and local planning frameworks** to give greater priority to energy efficiency, sustainable building (including CIBSE TM65, universal life-cycle Environmental Product Declaration, Design for Deconstruction), the enhancement of natural capital, valuation of ecosystem services, policies to optimise development sites to reduce climate and biodiversity impact, orientation of buildings for PV and passive solar gain etc.. and ensure that national aspirations are supported in local planning frameworks. | Lobby | National |
| **Avoid unnecessary construction**: The carbon embodied in new build houses is high and should be minimised, through sustainable building techniques and by only building where population indicators show a genuine need. Targets for new house building should be linked to population changes, not to house prices, by amending the “Standard Method” for housing allocations to ensure that population data are not cherry picked (only the most recent demographic data should be used) and to remove the adjustment factor for affordability. House prices are a poor basis for assessing the scale and location of housing need because they reflect financialized demand, not actual housing need. The unlimited supply of mortgage credit in relation to a limited housing stock, low interest rates, and interventions such as help-to-buy combine to amplify, distort and in some cases drown out signals of actual housing need. A decade of building more new houses in East Hants than there are new households has not stopped house prices in the district from rising 45%. Many other policy ideas have been suggested to make housing more affordable, such as limiting aggregate mortgage growth to changes in the size of the UK’s housing stock, land taxes, second home and empty home taxes, CGT and stamp duty reforms, promoting social housing tenure, etc.; these should be explored as low environmental impact solutions to the housing affordability crisis, so that new house-building can be minimised. In East Hants, the two amendments to the Standardised Method outlined above would reduce the annual housebuilding target from 608 to 353 new dwellings a year (see East Hants Local Plan Reg 18 HEDNA, paras 4.18 and 4.81, and table 4.3). In addition, planning interactions with SDNPA require all of these new homes to be built in the 43% of East Hants that lies outside the national park. If East Hants wants to minimise embodied carbon, it should oppose these flawed targets and limit housebuilding to the actual number needed to accommodate its population, while advocating other, more effective policies to tackle affordability. | Lobby | National |

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| **Subsidies** |  |  |
| **EHDC could ‘seed’ a revolving retrofit loan fund with a portion of its £300k climate reserve and support it with staff time:** EHDC could provide a revolving fund that makes loans to homeowners to spread the cost of retrofit measures for which grant funding is not available. North Somerset Council has recently done this in partnership with Lendology CIC. In that case, the interest rate is quite low by commercial standards (~4% APR). Administration is outsourced to a social enterprise, Lendology CIC, which works with lots of other councils and is registered with the FCA. It handles the loan process from application onwards. Repayments go back into the Council’s pot and are used to fund new loans i.e there is no bank credit involved. In this scheme, loans are secured with a Title Restriction, which requires borrowers to get permission from the lender before selling their home. If EHDC were to join the other councils doing this, it would need to find a one-off pot of money - possibly boosted with match-funding from SDNPA,HCC, LEPs or central government - and provide staff capacity to oversee the relationship with Lendology and market the scheme. | Do | Local |
| **Tilt energy prices in favour of clean energy**: Climate levies and VAT on energy sources should reflect their carbon content and be calibrated to ensure that green gas and electricity are cheaper than fossil fuel energy, supported by a protection mechanism for lower income households (perhaps funded by higher climate levies on higher income households), and long-term incentives to increase grid supplies of clean electricity and green gas such as stable long-term feed-in-tariffs for anaerobic digestors, hydrogen and syngas producers etc.. The objectives should include that heat pumps and green gas boilers eventually have lower operating costs than fossil fuel alternatives, for example by bringing the cost ratio between clean electricity and natural gas (currently around 5-6x) closer to the achieved coefficient of performance of heat pumps (typically around 2.8x); and reducing the price premium between green gas and natural gas from around 50% to zero. | Lobby | National |
| **Set decarbonisation grants at the right level**: Low carbon heating grants should be restored for commercial properties and provided to residential, public and third sector buildings at a much higher level; some houses need up to £50k spending on them, the average may be £20k+. The level should be high enough to cover the fabric upgrades needed for low carbon heating to be effective, such as replacement doors and windows and changes to radiator systems, and high enough to close the gap between the capital costs of low carbon heating systems and fossil fuel heating such as gas boilers. Residential heat pump installations can cost £10-15k including fabric modifications and commercial uses, including village halls, churches and schools, can cost ten times this amount. Replacing domestic RHI with a flat rate Clean Heat Grant at £4k and cancelling grants for commercial installations is inadequate. | Lobby | National |
| **Make decarbonisation grants easier to access**: The bureaucracy, rationing, and short deadlines around funding schemes such as the Public Sector Decarbonisation Funds should be dramatically reduced to lighten the burden on applicants, often public sector workers and volunteers, and speed up retrofitting in the public and third sectors. The inappropriate application of market principles or over-zealous policing of financial conditions are wasteful of applicant time and likely to be counter-productive in terms of achieving decarbonisation goals. | Lobby | National |
| **Zero-rate VAT on retrofit goods and services.** Goods and services are zero-rated for new build construction but not for works to existing dwellings, reflecting a policy goal of building more homes and attempting to lower their cost. As the policy goal of retrofitting existing housing in order to meet carbon emission targets is a much higher priority, the zero-rating should be extended to retrofits, for example by linking to product or installer accreditation schemes such as the MCS product directory or products with full life-cycle Environmental Product Declarations, Design for Deconstruction etc.. | Lobby | National |

**Other ideas submitted to the Working Group**

Local power generation - solar PV

EHDC commissioned a Renewable and Low Carbon study in 2018 as part of its Local Plan preparations. The study identifies a lot of land outside the national park where standalone solar PV could be developed (see Figure 5.18b: Opportunities for solar development). If these maps were filtered again to show only land that is located near to businesses/entities with high daytime electricity needs, the LA could take steps to promote the construction of commercial solar farms on that land and possibly invest in them itself, using PWLB funds.

**=>  ask EHDC to invite power purchase agreement (PPA) companies to review solar farm opportunities in East Hants and make investment pitches to the council / community**

References:

<https://www.easthants.gov.uk/renewable-and-low-carbon-study>

<https://www.greenenergysustainsol.co.uk/rent-your-land-to-gess-for-a-ground-mounted-solar-pv-installation>

Plan to decarbonise East Hants leisure centres

The Renewable and Low Carbon study in 2018 also identified "technically feasible" district heating opportunities at Penns Place/Taro,Whitehill & Bordon town centre, and Alton leisure centre. These were not taken forward and EHDC has now outsourced the management of the Petersfield (Taro) and Alton leisure centres on long-term contracts. These are among the biggest direct emissions controlled by EHDC.

**=> ask EHDC to commit publicly to decarbonising its two leisure centres over the long term, as outsourcing contracts come up for review or renewal.**

Local power generation - green gas

Similar commercial opportunities may be available with green gas, i.e biomethane generated from anaerobic digestion, especially if combined with the council's green waste collections and future food waste collections (the Environment Bill will make separate food waste collections mandatory for all LAs from 2023). There may also be scope to integrate agricultural waste, which could be significant in our area. There are very few anaerobic digesters in East Hants at present and the subsidy outlook for suppliers of green gas is good: the government plans to launch a Green Gas Support Scheme (GGSS) to pay companies that produce and supply the grid with green gas from anaerobic digestion, starting this year and running for 15 years. The scheme will be funded with levies on fossil fuel gas.

**=> ask EHDC to investigate how it can use waste from food, agriculture and gardens to support new jobs and businesses that produce biomethane from anaerobic digestion under the upcoming Green Gas Support Scheme**

References:

<https://www.r-e-a.net/resources/uk-anaerobic-digestion-sites-map/>

<https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/970565/green-gas-levy-future-support-low-carbon-heat-govt-response.pdf>  
  
  
Rural Communities and non-domestic premises

An idea from Herefordshire Council: they have used their climate reserve to create a Climate and Nature Grant Scheme. Projects that be funded include retrofitting of village halls, church halls, scout huts etc; Community car clubs; E-Cargo bike loan schemes; Community orchards; Hedgerow planting; Sustainable lifestyle or waste reduction projects

**=> ask EHDC to use its climate reserve to fund a grant scheme to promote retrofitting of rural and non-domestic buildings**

References

<http://councillors.herefordshire.gov.uk/documents/s50092502/Appendix%201%20Climate%20and%20Nature%20Grant%20Scheme.pdf>