

Council planning, decision making and capacity in relation to net-zero

Evidence submitted to the Net Zero, Energy and Transport Committee 21 January 2022

This is a response to the consultation by the Scottish Parliament's Net Zero, Energy and Transport Committee on the role of local authorities in supporting the target to reach net-zero emissions by 2045.

General comments

CIH Scotland is the professional body for housing and we work to support our members to deliver good quality homes and services to people across all housing tenures. We are also a member of the [Existing Homes Alliance Scotland](#) (EHA). As such, our evidence focusses on the role of local government and partners in meeting the target of net-zero emissions from our homes by 2045.

One of the biggest challenges in meeting net-zero within the housing sector will be ensuring that existing homes across all tenures are as energy efficient as possible and that the vast majority of households have switched to low or zero-emissions heating systems.

While social landlords in particular have led the way in retrofit to date, we have significant concerns with the costs that are likely to be involved in meeting net-zero across all housing tenures by 2045 and how these costs will be met.

The Scottish Government is in the process of introducing regulations that will require all homes to meet minimum energy efficiency standards where technically feasible and cost effective. Regulations are already in place in the social rented sector. In the private rented sector (PRS) regulations were delayed by the pandemic but in the process of being introduced, and regulations for owner occupiers are still being finalised. This staggered approach means that social housing is the most energy efficient with 56 percent of homes achieving an Energy Performance Certificate (EPC) rating of C or above compared to 42 percent of owner occupied homes and 40 percent of homes in the PRS ([Scottish House Condition Survey key findings 2019, table 20](#)).

Social landlords have also invested significant sums in improving the energy efficiency of homes. [Scottish Government data](#) shows that between 2015/16 and 2018/19 local authorities and registered social landlords (RSLs) invested £373 million in meeting the Energy Efficiency Standard for Social Housing (EESH), 86

percent of the total spend. [Scottish Government modelling](#) suggests that it could cost as much as £3.4 billion to bring 62 percent of social housing stock up to EPC B, the suggested minimum standard for EESSH2, and acknowledges that social landlords would be expected to cover most of the costs.

The recent Heat in Buildings Strategy estimated the cost of reaching net-zero for our homes and non-domestic buildings to be in the region of £33 billion and the Scottish Government has so far pledged just £1.8 billion to support this work during the current parliamentary term. If the retrofit programme is not supported by sufficient funding from the Scottish Government, costs will inevitably be passed on to households and will risk pushing people into poverty.

Committee questions

1. How effective are councils at strategic planning, budgeting, and making procurement decisions that align with net zero goals? If there are barriers, what are they?

Local authorities are well placed to co-ordinate complex delivery of energy efficiency measures at a local level with a proven track record in supporting the retrofit of social housing across Scotland and targeted support for households at risk of fuel poverty through Home Energy Efficiency Scotland (HEEPS) Area Based Schemes (ABS).

Local authorities also have strategic oversight of new development and therefore the potential to drive sustainable new development and plan for essential infrastructure to support the net-zero target, including transport, local amenities (to support 20 minute neighbourhoods and active travel as set out in Housing to 2040 and NPF4) and provision for heat networks.

Barriers and solutions

Local authorities need adequate resources to support the provision of homes that are warm and energy efficient, contributing to better health and wellbeing and meeting targets to tackle fuel poverty and meet net-zero targets.

We have significant concerns about the cost of improving homes and placing additional requirements on local authorities when the impacts of austerity and the pandemic are clearly putting significant strain on existing resources.

A [briefing published on the Scottish Parliament website](#) demonstrates that between 2013/14 and 2019/21 the local government revenue settlement decreased much more steeply than the Scottish Government's revenue budget, reducing by 4.7 percent compared to 2.2 percent. It states that while the local government settlement fell steeply in 2016/17, the reduction was much smaller in 2017/18 and 2018/19, and is now being reversed.



However, despite recent increases in funding for local government, significant pressures mean that local authorities are still operating within extremely challenging constraints.

In order to fulfil their potential role as key delivery partners in achieving net-zero, local authorities need:

- **Funding** - CIH, and others in the sector, have voiced concerns about the amount of funding required to improve the energy efficiency of existing homes, install low or zero-emissions heating systems and to deliver new affordable homes to higher standards. But local authorities also need resources to deliver strategic objectives and oversee/coordinate local delivery.
- **Skilled staff** - local authorities face different challenges and these will need to be addressed through local strategies such as Local Development Plans (LDPs), Local Housing Strategies (LHS) and Local Heat and Energy Efficiency Strategies (LHEES). Where there are gaps in skills or capacity, the Scottish Government must work to support them. This could involve upskilling of existing staff, skill sharing between local authorities or other public bodies and collating and sharing best practice.
- **Clear direction** - local authorities need clear guidance about any additional responsibilities that they will be expected to take on and how these will be resourced.

2. What role can the local government planning system and local development plans do to help us reach net zero? Could the planning system do more?

Local Development Plans (LDPs) and planning departments have a significant role to play in reaching net-zero targets. The recent publication of the draft National Planning Framework 4 (NPF4) puts a clear focus on sustainability and reducing emissions throughout. This applies to new build development, making best use of existing buildings and infrastructure and the commitment to creating 20 minute neighbourhoods which support local living and active travel.

In order to realise this vision, planning departments need the skills and resources to be able to make decisions in line with the national vision and involve local communities in shaping the places that they will live and work in.

3. What innovation, skills and capacity are needed in the local government workforce when it comes to making net zero achievable? Does that capacity exist or are there gaps?

See questions 1 and 2 above.



4. How well do councils leverage in support and finance from the private sector for net zero delivery? Are City Region Deals being used effectively for this? What mechanisms or forums are there for sharing opportunities and good practice?

Leveraging finance from the private sector is essential if we are to meet net-zero emissions by 2045 and avoid the risk of making people worse off. The Heat in Buildings Strategy estimates that it will cost around £33 billion to decarbonise all of our homes and buildings and the Scottish Government has pledged just £1.8 billion towards improving energy efficiency and decarbonising heat in our homes during this parliamentary term. It is not clear how the remaining £31.2 billion is to be sourced.

5. How well do councils partner with the voluntary sector and social enterprises to work towards net zero goals? Are there instances of good practice you can point to or areas where opportunities are being missed?

No comment

6. How well do councils involve local communities in decision-making on major net zero projects and how do they support community-led initiatives?

There is a great deal of evidence to suggest that members of the public are aware of climate change and support the drive to reduce emissions. The Climate Outreach Survey, [Engaging the public on climate risks and adaptation](#), identified climate change as a priority, second only to Brexit, as an issue of national importance, with 40 percent of respondents stating that they were now 'very or extremely worried'.

However, there seems to be less certainty about the role of individuals when it comes to household emissions and how these should be tackled. New research commissioned by the [Scottish Housing Day Partners in 2021](#) found that while the majority of respondents across all tenures (69 percent) said that they were aware of the target to reach net-zero by 2045, far fewer were aware of the amount of emissions generated by housing or about how plans to introduce minimum energy efficiency ratings might affect their home. Other findings included:

- While 81 percent of people have heard of an Energy Performance Certificate (EPC) only 18 percent know the EPC rating of their home.
- 49 percent of people disagree or strongly disagree with the statement that energy efficiency was an important factor in choosing their current home.
- 82 percent of people think that the Scottish Government should cover at least some of the cost of improving homes. 34 percent of people think the Scottish Government should cover all of the costs.



Local government has a significant role to play in co-ordinating large scale infrastructure such as heat networks and in communicating new standards for existing homes where homeowners and landlords are expected to take action. However, this needs to be driven by a national communication campaign headed by the Scottish Government. Members of the public need to be informed and able to prepare for changes ahead which will have a significant impact on the way we all use energy in our homes.

7. What is the Scottish Government doing to help the local government sector deliver on net zero goals? What, if anything, could it do more of to help the sector?

As we have mentioned above, local government and the public need clear messaging from the Scottish Government on the direction of travel. Local authorities need certainty to be able to plan and resources to be able to deliver.

8. What is the role of enterprise agencies or other public bodies as enablers of joint working on net zero goals by local government and its cross-sectoral partners?

No comment.

9. How are councils working with cross-sectoral partners to decarbonise heat in buildings and to ensure they have greater energy efficiency?

As noted above, local authorities are already leading the way in improving the condition of their own housing stock and supporting energy efficiency work through HEEPS ABS projects across Scotland. Delivering these projects requires co-ordination between the local authority, housing associations, local community groups and delivery bodies. Local authorities can build on this work given adequate resources to fund the work itself and the co-ordination required.

10. How are councils working with cross-sectoral partners to decarbonise transport (including encouraging active travel) and to improve air quality?

No comment

11. How are councils working with cross-sectoral partners to promote recycling and a "circular economy"?

No comment

12. How are councils working with cross-sectoral partners to use the natural environment (its "green infrastructure") to achieve net zero targets?

No comment



About CIH

The Chartered Institute of Housing (CIH) is the independent voice for housing and the home of professional standards. Our goal is simple - to provide housing professionals and their organisations with the advice, support, and knowledge they need to be brilliant. CIH is a registered charity and not-for-profit organisation. This means that the money we make is put back into the organisation and funds the activities we carry out to support the housing sector. We have a diverse membership of people who work in both the public and private sectors, in 20 countries on five continents across the world. Further information is available at: www.cih.org.

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