

## GREEN DEAL FRAMEWORK

### CALL FOR EVIDENCE

#### CIBSE Response

Submitted 23<sup>rd</sup> November 2017

Note – for clarity, the inquiry questions are in non-italic black, and *CIBSE's response in italic green*.

#### Introduction

This call for evidence is to improve our knowledge of stakeholders' views on the Green Deal Framework, and whether there is scope for changing the Framework so that it can better support current and future needs. We are seeking views on the Framework as a whole, all the elements within it and on factors that may warrant changes to it. The Government will ensure throughout that the interests of consumers are foremost

*The respondent is **The Chartered Institution of Building Services Engineers (CIBSE)**. CIBSE is one of the leading global professional organisations for building performance related knowledge. The Institution and its members are the primary source of professional guidance for the building services sector on the design, installation and maintenance of energy efficient building services systems to deliver healthy, comfortable and effective building performance. Our focus is on adopting a co-ordinated approach at all stages of the life cycle of buildings, including conception, briefing, design, procurement, construction, operation, maintenance and ultimate disposal.*

#### Response

*We note the consultation on the Green Deal Framework and the detailed questions posed.*

*We fully support, and have long been advocates of, the **need for substantial energy savings to be achieved in existing buildings** in order to achieve the government's targets for carbon reduction as well as deliver other potential benefits including reductions in fuel poverty and energy bills and improvements in comfort and air quality.*

*In simple response to the broad question of this consultation, we believe **there is scope for changing the framework so that it can better support current and future needs**.*

*However, whilst there is a reference to the co-incidence of publication of this consultation with the Clean Growth Strategy, it is not clear what the connection is between this consultation and the key policies set out on page 13 of the Clean Growth Strategy, in particular those relating to improving the energy efficiency of our homes. Items 11, 12 and 13 in this table set out ambitious targets to upgrade the housing stock, **targets which the Institution supports, and has supported for some time**. However, the context of the consultation is unclear. Has an analysis been carried out of the potential of the Green Deal Framework to support the achievement of these targets, or is this consultation intended to serve as part of the analysis? If it is not, then we would welcome such analysis to be carried out.*

*It is also unclear how this consultation relates to the ongoing development of the Each Home Counts initiative.*

*The introduction to this consultation (paragraph 1.7) refers to Minimum Energy Efficiency Standards rather than a broader scope; in that case the Green Deal would only be a financing mechanism to support existing regulations, not leading to more demand. Is this the intention?*

*In CIBSE's view the consultation needs to address more comprehensively whether, and if so how, a reformed and reinvigorated Green Deal framework could support the improvement of our existing building stock. We have set out below key points which we think need to be reviewed. We would be happy to engage with Government departments and support the development of a coherent framework for energy efficiency across the building stock.*

### **Consistency**

*Consistency of message is essential to drive consumer confidence and allow the supply chain to invest and develop the required skills and capacity. There needs to be a clear signal that measures put in place to stimulate energy efficient retrofit will remain in operation and are fully integrated within long-term plans covering **finances, skills, quality, and technical delivery**.*

### **Consumer demand**

*This is essential. The introduction to this consultation itself identifies lack of consumer demand as one of the two reasons for failure of the Green Deal, yet none of the consultation questions address this.*

*There needs to be a better understanding of the motivation of consumers to upgrade the energy efficiency of their homes. "**Hassle**" and **disruption**, as well as lack of trust in installers, were known reasons for the lack of uptake of the Green Deal; in our view a reformed Green Deal framework should seek to address this, building on evidence from existing schemes and on behavioural studies – including the government's own work on the topic<sup>1</sup>. The CALEBRE Project, which was a Research Council funded programme of research into consumer acceptable low carbon energy refurbishment, addressed some of the consumer acceptance issues in detail, and its conclusions remain relevant and valid today.*

*The review should also take account of the considerable prior evidence that **change of ownership** is the key potential trigger event for taking significant energy efficiency measures. This was identified in work undertaken several years ago by the Association for the Conservation of Energy, who also recommended linking significant refurbishment activity with rebates in stamp duty if the work was carried out within a reasonable time after purchase.*

*Much effort has been put into the consideration of lower rates of VAT for domestic refurbishment work, and this should be further reviewed alongside any consideration of incentives related to Stamp Duty.*

*In the non-domestic sector, we would also encourage looking at the potential of stimulating demand through competition and **disclosure of energy performance** (in a similar way as Display Energy Certificates for public buildings). This approach has been used successfully in Australia and in certain US cities.*

### **Coordination with existing policies**

*Opportunities for energy retrofit need to be better integrated within existing systems, and their implementation more consistent. In particular, we believe there are significant opportunities through better co-ordination between the **planning system and of Building Regulations Part L1B L2B**.*

### **Building on recent evidence**

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<sup>1</sup> DECC, Loft clearance: results of a behavioural trial, December 2013 <https://www.gov.uk/government/publications/loft-clearance-results-of-a-behavioural-trial>

*Since the initial launch of the Green Deal, a number of schemes have been developed in the UK and abroad, which a reformed framework should build upon. Examples include:*

- *Renowiki database<sup>2</sup> put together by the World Green Building Council to support national energy efficiency retrofit strategies, with examples covering the range of aspects known to be needed i.e. awareness, skills and capacity building, finances, policy & regulation, organisation & administration.*
- *Programmes led by local or regional authorities which build on the link between energy efficiency and health in the housing sector, for example Nest in Wales<sup>3</sup>.*
- *Energiesprong<sup>4</sup>.*
- *The Green Deal Communities schemes, including “Smart Homes” in a few North London Local Authorities.*

**END**

Response collated and submitted by:

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<sup>2</sup> <http://buildupon.eu/initiatives/>

<sup>3</sup> <https://www.nestwales.org.uk/>

<sup>4</sup> <http://energiesprong.eu/>