

IRISH GREEN BUILDING COUNCIL'S SUBMISSION ON IRELAND'S STRATEGY TO COMBAT ENERGY POVERTY

ABOUT THE IRISH GREEN BUILDING COUNCIL

The Irish Green Building Council (IGBC) provides leadership for a sustainable built environment. IGBC is a registered charity with over 300 corporate <u>members</u> drawn from all parts of the value chain, from occupiers, design professionals, contractors, suppliers, academics and public authorities and affiliated with a global network of 70 national councils within the <u>World Green Building Council</u>. This allows us to create workable solutions and tools to deliver transformative change towards a sustainable built environment. The Irish Green Building Council also is the national partner of the <u>Renovate Europe</u> campaign in Ireland.

This submission is based on the feedback received from our members during a series of workshops organised between December 2021 and July 2022 as part of the #BuildingLife project. The objective of #BuildingLife is to develop a roadmap to decarbonise Ireland's built environment across its whole life cycleⁱ. The workshops were attended by developers, contractors, building professionals, investors, researchers, and local authorities.

SUMMARY

The IGBC welcome the progress made since the publication of the 2016's "Strategy to Combat Energy Poverty", and in particular the significant increase in funding for energy renovation. It is positive that the updated document acknowledges that the best long-term approach to address fuel poverty and to protect consumers from the volatility on international wholesale energy markets is to invest in energy efficiency and renewable energy.

Given the significant increase in energy poverty in Ireland in recent months and the huge challenges ahead to reach our 2030's climate target, the IGBC welcomes the publication of this updated strategy. **Energy renovation must remain a Government priority and we must ensure that all public funding invested in retrofit supports a just transition**. More specifically, in the context of this strategy, the IGBC encourage government to consider the following actions:

- Review existing retrofit schemes targeting fuel poor households to ensure all low-income households (e.g., based on P60) living in low BER homes are eligible - regardless of home ownership status and/or welfare payment eligibility.
- Introduce Minimum Energy Performance Standards (MEPS) in the private rental market by 2025, alongside quality technical and financial support for landlords and tenants with a longterm lease.
- Make funding available for ventilation to local authorities as part of all social housing deep retrofit (BER B2).
- Encourage the use of the <u>Build Upon Framework on Energy Renovation</u> at local authority level capture better quality data on energy poverty.
- Ensure the strategy is defined and implemented in a transparent, fair and inclusive way.



Q1. WHAT FURTHER ACTION COULD BE TAKEN TO ALLEVIATE ENERGY POVERTY THROUGH HOME ENERGY UPGRADES?

The IGBC welcomes that the strategy outlines the critical importance of energy efficiency in alleviating energy poverty.

The funding of the Warmth and Wellbeing scheme was highly welcomed and it's encouraging that the initial findings showed that making homes warmer, drier and more energy efficient can have a positive impact on the health and wellbeing of people living with chronic respiratory conditions. The IGBC look forward to seeing the full results of the programme and encourage the Government to publish them as soon as possible and to make them widely available. In relation to health and wellbeing, the government should also allocate funding to cover ventilation costs as part of the local authorities' social housing retrofit programme.

The IGBC welcomes that the eligibility criteria for the fuel poor schemes are kept under ongoing review with the Department of Social Protection (DSP) to ensure they are consistent with, and complementary to, the other income support schemes offered by that Department. However, to fully support a just transition, the IGBC believes that a full review of these schemes is needed to ensure low-income households (e.g., based on P60) living in low BER homes are eligible - regardless of home ownership status and/or welfare payment eligibility. For instance, the SEAI free energy upgrade scheme should be opened to low-income tenants with a long-term lease. This may require accelerating the introduction of low interest loans for the able to pay market, to ensure those most at risk of fuel poverty are fully supported in the transition to a low carbon economy.

Finally, the **roll-out of district heating** (if combined with detailed local heat and market analysis) could be a good way to reduce fuel poverty.

Q2. WHAT FURTHER ACTION COULD BE TAKEN TO ALLEVIATE ENERGY POVERTY IN THE RENTAL SECTOR?

In 2019, the IGBC with support from SEAI and in close cooperation with its members conducted a piece of research on the opportunity of introducing minimum energy performance standards (MEPS) in the private rental sector – <u>Full</u> report available here.

Given households in private rental accommodation are those most at risk of fuel poverty, and in line with the proposed revision of the Energy Performance of Buildings Directive (EPBD) and as already implemented in several countries (e.g., the UK and Franceⁱⁱⁱ), the IGBC support the introduction of MEPS in the private rental market by 2025^{iv}. This requires making high quality technical and financial support available to both landlords and tenants. More specifically, the opportunity of the Accelerated Capital Allowance Scheme should be opened to residential landlords, and the SEAI free upgrades to low-income households (e.g., based on P60) living in low BER rented homes with a long-term lease.

Increase in funding for local authorities is welcome, but funding for ventilation should also be made available to local authorities as part of all social housing deep retrofit. Furthermore, the scheme could be used to capture better quality data on the impact of energy renovation in Ireland, including on fuel poverty – see Q4.

Q3. IN THE AREAS OF ENERGY PRICES, MEETING THE COST OF ENERGY AND CONSUMER PROTECTION, WHAT FURTHER ACTION COULD BE TAKEN TO ALLEVIATE ENERGY POVERTY?

In a climate emergency and to truly protect those most in needs against volatility on international wholesale energy markets (as well as to improve health and wellbeing) in the short-medium and long term, providing funding for energy renovation should always be the priority. While social welfare may need to be increased to better protect fuel poor against inflation in the short term, generally speaking energy renovation is always preferable to fuel allowance.



Q4. IN THE AREA OF GOVERNANCE, RESEARCH, MEASUREMENT AND EVIDENCE, WHAT FURTHER ACTION COULD BE TAKEN TO ALLEVIATE ENERGY POVERTY?

In relation to governance, and more specifically 2.5 (Measuring and Tracking Energy Poverty), the IGBC believe that much better-quality data could be collected at local authority level through the use of the Build Upon Framework. The Framework was developed as part of a Horizon 2020 project to support local authorities in gathering better quality data on the impact of their energy renovation programmes, including its co-benefits (and fuel poverty). The Framework was piloted in 2020-21 by Dublin City Council, with additional feedback provided by Cork City, Laois, Offaly and Kilkenny County Councils. Generalising its use (e.g., first through the social housing retrofit programme run by the Department of Housing, and at a later stage through SEAI grants) is key in ensuring better quality data on fuel poverty is captured. The Build Upon Technical Manual is available here.

Finally, annual progress updates on the strategy to combat energy poverty should be more widely communicated, as to reach its full potential, the strategy should be defined and implemented in a transparent, fair and inclusive way.

Q5. PLEASE ALSO PROVIDE ANY ADDITIONAL RELEVANT INFORMATION OR VIEWS THAT YOU WOULD LIKE TO SUBMIT.

¹ The #BuildingLife Roadmap to decarbonise Ireland's built environment across its whole life cycle will be published in October 2022.

[&]quot;The IGBC in partnership with Velux is currently running the Healthy Homes Ireland (HHI) initiative. HHI aims to positively influence public policy and building industry practice by bringing together stakeholders to consider how to address health problems caused by existing low-quality homes and ensure there is no conflict between health and energy efficiency in newbuild homes. The HHI final report should be published by March 2023. It is hope that the results of the Warmth and Wellbeing scheme could inform IGBC's work on this initiative. Read more on the HHI initiative.

iii As of August 2022, rents of homes with an EPC F or G are frozen in France (Loi Climate et Résilience 2021)

^{iv} To ensure MEPS do not lead to lock-ins, these must be introduced alongside Building Renovation Passports i.e., comprehensive renovation roadmaps.