

Local Heat and Energy Efficiency Strategy Consultation Report

January 2024

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Local Heat and Energy Efficiency Strategy Consultation Report

Date: 12 January 2024

1. Introduction

- 1.1 The Local Heat and Energy Efficiency Strategies (Scotland) Order 2022¹ places a duty on Local Authorities (LAs) to prepare and update a Local Heat and Energy Efficiency Strategy (LHEES) and Delivery Plan.
- 1.2 The Local Heat and Energy Efficiency (LHEES) Strategy is primarily driven by Scotland's statutory targets²:
 - Net zero emissions by 2045 with 75% reduction by 2030; and
 - By 2040, as far as reasonably possible, no household in Scotland is in fuel poverty.
- 1.3 LHEESs are primarily driven by Scotland's statutory targets for greenhouse gas (GHG) emissions reduction and fuel poverty³:
 - Reaching net zero emissions by 2045 with 75% reduction by 2030; and
 - By 2040, as far as reasonably possible, no household in Scotland is in fuel poverty.
- 1.4 The LHEES:
 - Sets out how each segment of the building stock needs to change to meet national and local objectives, including achieving zero GHG emissions from buildings, and the removal of poor energy efficiency as a driver of fuel poverty;
 - Identifies strategic heat decarbonisation zones, and set out the principal measures for reducing buildings emissions within each zone; and
 - Prioritises areas for the delivery of measures to meet national and local priorities.
- 1.5 A Delivery Plan accompanies the Strategy and has been developed in partnership with key stakeholders, to provide a strong basis for action for local communities, government, investors, developers and wider stakeholders, pinpointing areas for targeted intervention and early, low-regrets measures.
- 1.6 The Strategy and Delivery Plan were approved by Policy and Strategy Committee in December 2023 and sets out the main plan for the decarbonisation of both domestic and non-domestic buildings in North Lanarkshire over the next five years (2023 – 2028). The LHEES will be

¹ [The Local Heat and Energy Efficiency Strategies \(Scotland\) Order 2022 \(legislation.gov.uk\)](https://www.legislation.gov.uk)

² [Local heat and energy efficiency strategies and delivery plans: guidance - gov.scot \(www.gov.scot\)](https://www.gov.scot)

³ [Local heat and energy efficiency strategies and delivery plans: guidance - gov.scot \(www.gov.scot\)](https://www.gov.scot)

reviewed and updated on an annual basis, to monitor progress and developments.

- 1.7 This report provides an overview of the consultation carried out as part of the development of the LHEES and delivery plan, providing insights into opportunities held and feedback received from stakeholders.

2. Consultation Opportunities

- 2.1 Consultation and engagement opportunities were structured across key stages of the development of the LHEES. This consisted of three distinct key phases:

- Early internal stakeholder engagement
- Wider stakeholder engagement and consultation to inform the draft LHEES
- Wider stakeholder consultation on the draft LHEES published on the council's website

Phase 1 – Early internal stakeholder engagement

- 2.2 Early stakeholder engagement initially focussed on council services and involved internal stakeholders. This was initially supported by the Scottish Government to provide an overview of the wider strategy and policy background which are of relevance to the LHEES. Specifically the Scottish Government's Climate Change Plan update and the Heat in Buildings Strategy overview. This session involved a range of internal council services, which included, Housing (strategy, operations and property), Environmental Services, Asset and Procurement, Planning and Regeneration, and the New Supply Team. In addition to a briefing on the wider Heat in Buildings Programme, there was a workshop discussion on the how the LHEES could support wider work to decarbonise heat, improve energy efficiency and tackle fuel poverty and the role of different council teams in the development and implementation of the LHEES.
- 2.21 As part of the initial early phase of engagement, an internal stakeholder session was held in June following stage 4 – generation of initial delivery areas. This session was facilitated by the appointed consultants and was attended by all Chief Officers within the Enterprise and Communities Service. Further internal stakeholder engagement was held at this stage by council officers with a wider pool of council officers within the services and again following stage 6 – finalisation of delivery areas. This helped ensure all key relevant aspects and factors within a North Lanarkshire context were taken into consideration, to inform the development of the draft LHEES.
- 2.22 The project working group throughout the duration of the development of the LHEES contributed and represented all the key internal service areas, which supplemented the consultation and engagement opportunities providing some warranty of inclusion of relevant factors and considerations specific to the different service areas within the strategy.

Phase 2 – External stakeholder engagement

2.3 External stakeholder engagement took place throughout the month of August. A series of consultation workshop sessions targeted and arranged by specific stakeholder groups were held. This included workshop sessions for:

- Registered Social Landlords
- Private landlords
- The Community and Voluntary Sector
- Tenants and Residents (householders)
- Other public sector organisations (such as NHS Lanarkshire, the Scottish Prison Service, New College Lanarkshire)
- Local businesses and other organisations
- Community Boards
- Tenants and residents organisations

Feedback from these sessions included:

- Consideration of future role of hydrogen – albeit it was recognised and discussed that this will be out with the current five year period of the strategy
- Strathclyde Park and green growth accelerator fund – linkage and learning going forward.
- Funding – challenges for private landlords in investing in energy efficiency improvements, uncertainty of what/if any support will be available to enable transition.
- Historic/listed building challenges – limited options and costly interventions
- Costs – concern over the cost of living crisis and potential adverse implications for tenants and households over transition to electric heating sources given the higher cost of electricity in comparison to gas.
- Support for homeowners – options to fund transition highlighted at somewhat limited at present and no clear indication of future funding/support options available.
- Operation – concerns were highlighted in respect of operation and the need to ensure that tenants/householders are provided with clear information that enable optimum operation to ensure heat pumps and other new technology works effectively.
- Maintenance – examples of district heat networks in another local authority area were discussed where there had been issues with repairs and maintenance. This was thought to be attributed to the technology being relatively new in Scotland and an insufficient supply of skilled trades with expertise on heat pumps and district heat networks available.
- Fabric first – some stakeholders highlighted that other issues relating to the repair and maintenance of homes was a greater and more immediate priority than decarbonisation of heating systems. Certain population groups were highlighted, for example older owner occupiers, where there may be issues with limited income, and inability to fund improvement works. Also discussed potential challenges for households in ex-right to

buy properties who may have both limited incomes and limited equity held in their property.

- Heat networks – challenging/complex to develop. Some stakeholders highlighted potential difficulties with connection, some of which linked to costs for connecting developments, whilst others raised issues with assurances on costs for households connected to ensure fairness and transparency and others highlighted issues with various models.
- Examples were given at some sessions about various energy projects that may be useful to explore to aid learning for consideration in a North Lanarkshire context .

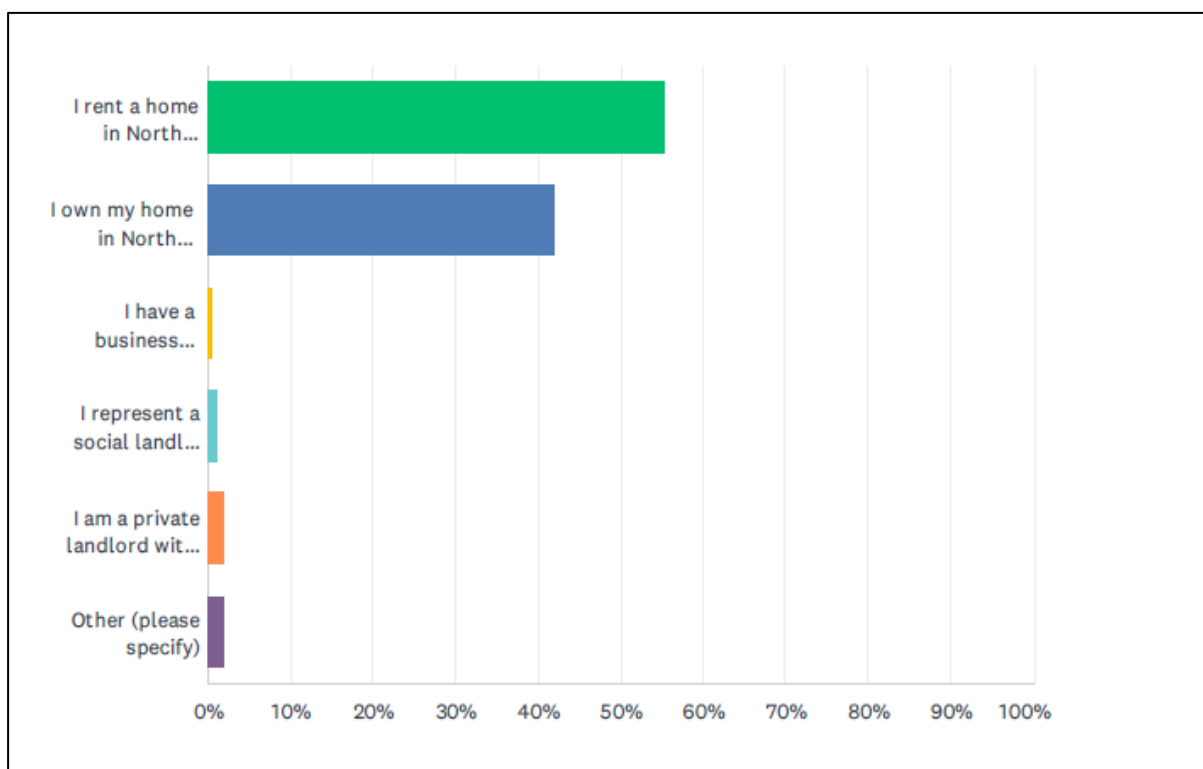
Phase 3 – Consultation on the published draft strategy and delivery plan

- 2.4 The draft LHEES and accompanying delivery plan was published on the council's website in November for a period of four weeks. To accompany the draft strategy and delivery plan there was an online survey. This survey was made available the duration of the period in which the strategy and delivery plan were published and the council's communication team promoted the survey and strategy using several communications methods, including social media posts, you.gov.delivery (a depository of people/organisations signed up to receive notifications and information from the council) and via the council's tenant participation team.
- 2.41 Completion of the survey was monitored on a regular basis and additional marketing and promotion was employed as necessary to increase awareness of the strategy and encourage completion and feedback to inform the final strategy and delivery plan.
- 2.42 There were 150 respondents who completed the questionnaire. Completion of the questionnaire was generally good, with a good level of completion/responses for most questions. For some questions there was a lesser level of completion/responses. This is highly likely to be attributed to the relevance of the specific question to the particular stakeholder completing the survey as the survey was structured in sections with particular sections relevant to different stakeholders, i.e. specific questions for landlords, others for householders, businesses and public sector organisations.
- 2.43 The following section of this report provides an overview of the responses received to the survey.

Survey Responses

Demographics

- 2.5 The majority of respondents were tenants and residents, with most renting their home in North Lanarkshire (55.33%), followed by 42% of respondents who owned their own home. 0.67% of respondents were businesses, 1.33% social landlords, and 2.0% private landlords. 2% of respondents had selected the descriptor category 'other' category, which comprised people who either worked in or resided out with North Lanarkshire.



Factors to consider in prioritising targeting of measures

2.6 As the Local Heat and Energy Efficiency Strategy considers ways of decarbonising heat and improving energy efficiency, particularly where it can reduce fuel poverty, respondents were asked whether there were any factors that should be considered when prioritising where to target measures.

2.61 The main areas/themes emerging from the respondents feedback were that the following factors should be considered in prioritisation measures:

- Areas of deprivation
- Low income households
- Households with additional support needs i.e. households with a disabled household member, households with an older household member
- Poor (poorer) quality housing
- Project development – e.g. community owned renewable energy projects, or heat networks
- Expansion of energy efficiency measures to a broader range of property types i.e. solar panels in flatted developments
- Support for working households and homeowners with older properties
- More focus on private landlords to invest and improve properties

2.62 Some feedback included:

- *You should consider installing more community owned renewable energy projects to create community funds.... These should be as widespread as possible to support a circular economy, should be used to tackle the cost*

of living crisis and move to make all energy use in NL green. There should be a mixture of renewable energy sources, biomass heaters for district heating and use this energy to support a transition into green public transport, food and housing.

- *Disabled families have extra needs regarding fuel please note the need is not removed by household income being at a particular threshold. Include all households with a disabled person.*
- *Areas of deprivation, although it should be recognised that not everyone who lives in an area of deprivation are in fuel poverty. Property types that require greater interventions in terms of energy efficiency measures.*
- *Low income households.*
- *Air Source Heat Pump Research is showing that given the price gap between gas and electricity in this county, unlike other countries, it will always be more expensive to have an air source heat pump heating system rather than gas, I am concerned that this could increase fuel poverty rather than reduce it.*
- *Focus on reducing space heating demand; 2)Funding/supporting through grants the switch away from gas/oil heating to renewable sources of space heating.3) including space heat networks in new public buildings or regeneration initiatives.*
- *More emphasis on installing solar panels on social housing prior to 1983. This should include flatted developments as well as any terraced or semi-detached left in the housing portfolio.*
- *Cost of innovations to householder.*
- *Areas where limited options for heating is available i.e. no gas*
- *Low income families, the elderly and anyone struggling to heat their homes and pay their energy bills.*
- *Install solar panels in all NLC residential properties.*
- *With the cost of living crisis we should carefully balance green alternative with pushing further people in poverty. More should also be done to push/force landlords to upgrade properties. As council homes are less and less available, more and more people are pushed in the private sector faced with incredibly high rent on properties that are poorly maintained, poorly insulated and with ageing inefficient heating or boiler. This means more and more tenant are pushed into fuel poverty even if they work full time and have NO POWER to change the situation as landlords don't want to invest.*
- *In old houses that have damp issues.*
- *Working households need more support.*
- *Those on low incomes, disabled and aged population.*

2.63 There were some comments received that highlighted other issues, which although do not relate specifically to the prioritisation of targeted measures are nonetheless beneficial for consideration in the broader context of the LHEES. These included:

- The energy price difference between the gas and electricity and the risks relating to transition to zero emission heating systems such as heat pumps

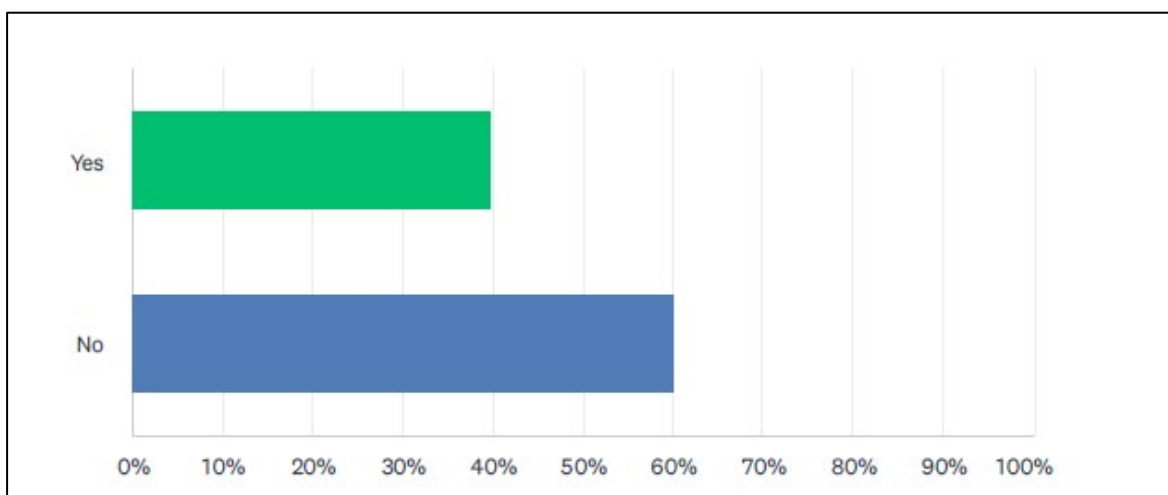
and heat networks which rely on electricity, potentially increasing fuel poverty for some households.

- Installation of some energy efficiency measures that do not fully capitalise on potential benefits i.e. solar panels with no battery storage.
- Importance of energy efficiency measures first and foremost, to address issues of dampness and mould.
- Issues with some housing not being suitable for energy efficiency measures, low quality, expensive for interventions and unsustainable in the longer-term.
- Health issues associated with poor quality housing.
- Focus on funding and support to enable transition from higher emissions heating systems to zero emission alternatives.
- Cost for homeowners to transition can be prohibitive.
- Disproportional impact on some households i.e. higher rents in the private rented sector and less energy efficiency homes in this sector.
- Maintenance costs associated with heat pumps.

Familiarity and views on heat networks

2.7 Respondents were asked whether they were familiar with heat networks as a possible low carbon heat source. The majority of respondents who responded to this question, 60.2% (56 out of 93 respondents) reported that they were not familiar with heat networks, indicative of a need to increase awareness of heat networks amongst the general population.

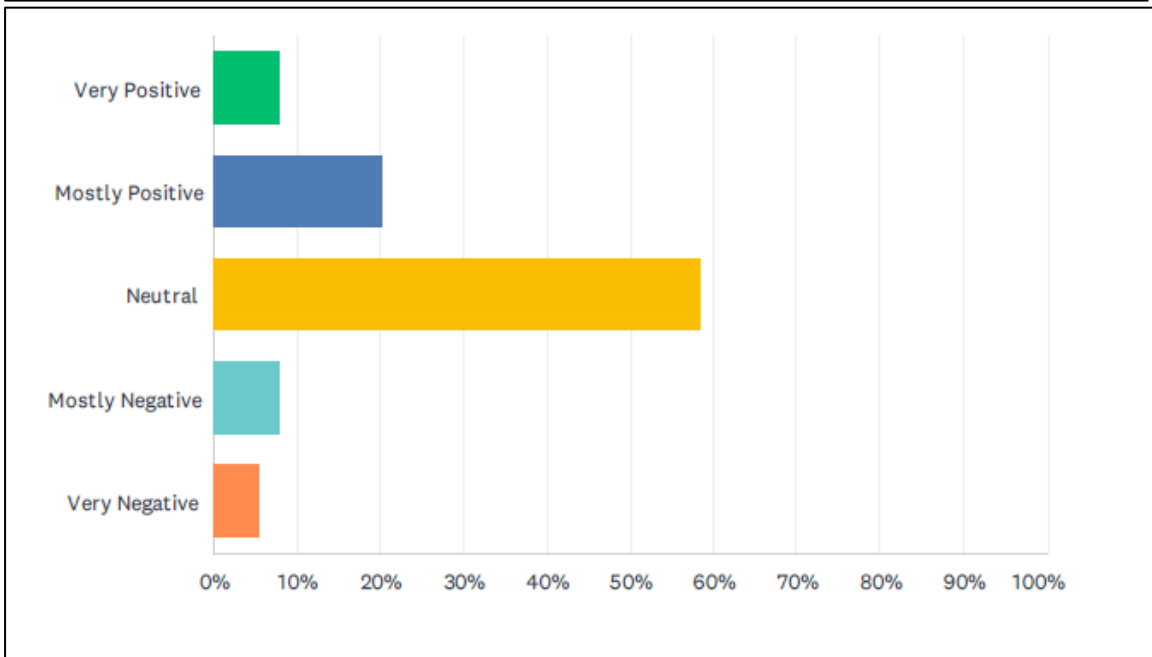
ANSWER CHOICES	RESPONSES	
Yes	39.78%	37
No	60.22%	56
TOTAL		93



2.71 58.4% of respondents (52 of 89) had no views either way in relation to heat networks, they were neutral, highly likely due to the low level of familiarity with heat networks generally. 20.2% of respondents felt 'mostly positive' about

heat networks, with 7.8% of respondents 'very positive'. 5.6% of respondents were 'very negative' and 7.9% were 'mostly negative'.

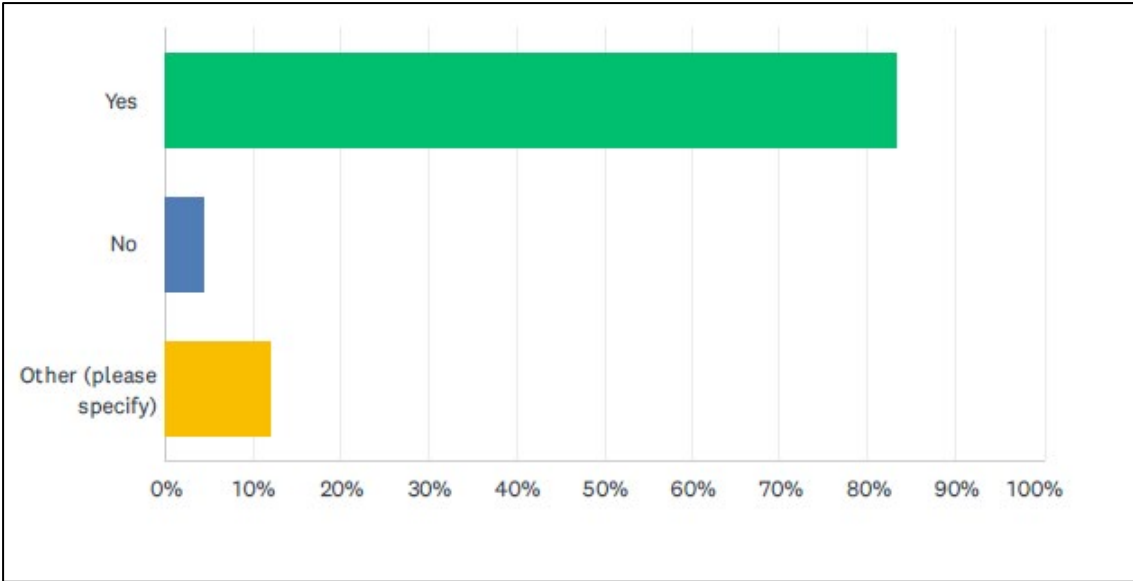
ANSWER CHOICES	RESPONSES	
Very Positive	7.87%	7
Mostly Positive	20.22%	18
Neutral	58.43%	52
Mostly Negative	7.87%	7
Very Negative	5.62%	5
TOTAL		89



Energy efficiency measures/improvement works

2.8 The majority of respondents were happy for their landlords to install energy efficiency improvements in their home (83.3%, 55 of 66 respondents). A very small proportion of respondents said no (4.6%) and for respondents who answered 'other' they were mostly homeowners/other tenures, did not think it was feasible, or wanted to know more about it.

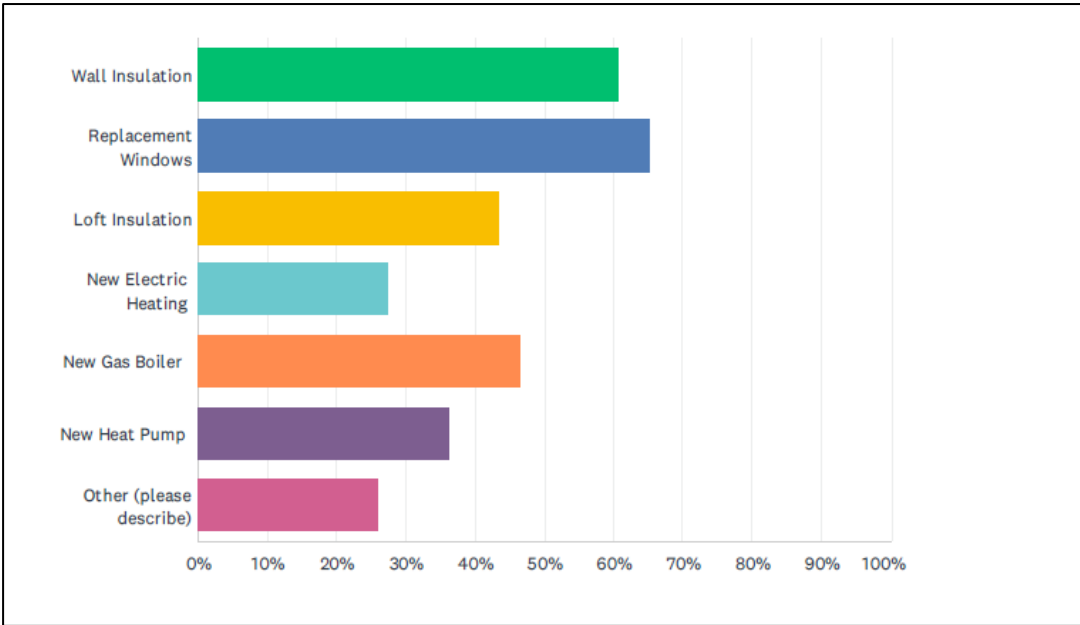
ANSWER CHOICES	RESPONSES	
Yes	83.33%	55
No	4.55%	3
Other (please specify)	12.12%	8
TOTAL		66



2.81 The majority of respondents supported replacement windows (65.2%, 45 of 69 respondents), followed by wall insulation (60.9%). A new gas boiler was the third highest measure favoured (46.4%) closely followed by loft insulation (43.5%) and new heat pump (36.2%). New electric heating was least favoured at 27.5%.

2.8.2 Other measures identified/suggested by respondents that were not listed in the options included:

- Solar panels
- New radiators
- Underfloor insulation
- Replacement front doors
- Triple glazing
- New cladding



- 2.8.3 When respondents were asked about any concerns they had about the technologies, cost was cited in several responses as an issue, with respondents concerned about both the cost for electricity being more expensive than gas and the installation and maintenance costs.
- 2.8.4 Other concerns highlighted included the inconvenience and disruption of installation work, and operation, with respondents voicing comments in relation to availability of reliable contractors available to repair and maintain new heating systems. One respondent raised a concerns about the efficiency of heat pumps in comparison to gas boilers.

2.8.5 Feedback included:

- *The cost.*
- *...product life and quality.*
- *Electric heating might be too costly to run.*
- *Cost – electricity currently more expensive than gas. Also the inconvenience of the installation work, and knowledge generally about operation and maintenance, is there a market of reliable trades people to maintain new systems.*
- *May be complicated to operate.*
- *...the price gap between gas and electric would always mean air source heat pumps and heat networks are more expensive to run.*
- *Heat pumps do not appear to be reliable and their installation is more complicated.*
- *...significant disruption.*

- 2.8.6 Respondents were asked to describe anything that would be of importance to them if their landlord were planning to install energy efficiency measures in their home. The most common factor described by respondents was cost, with respondents citing the importance of the cost of new heating systems being at least or more cost effective than current systems. The other most common thematic areas emerging from the responses included:

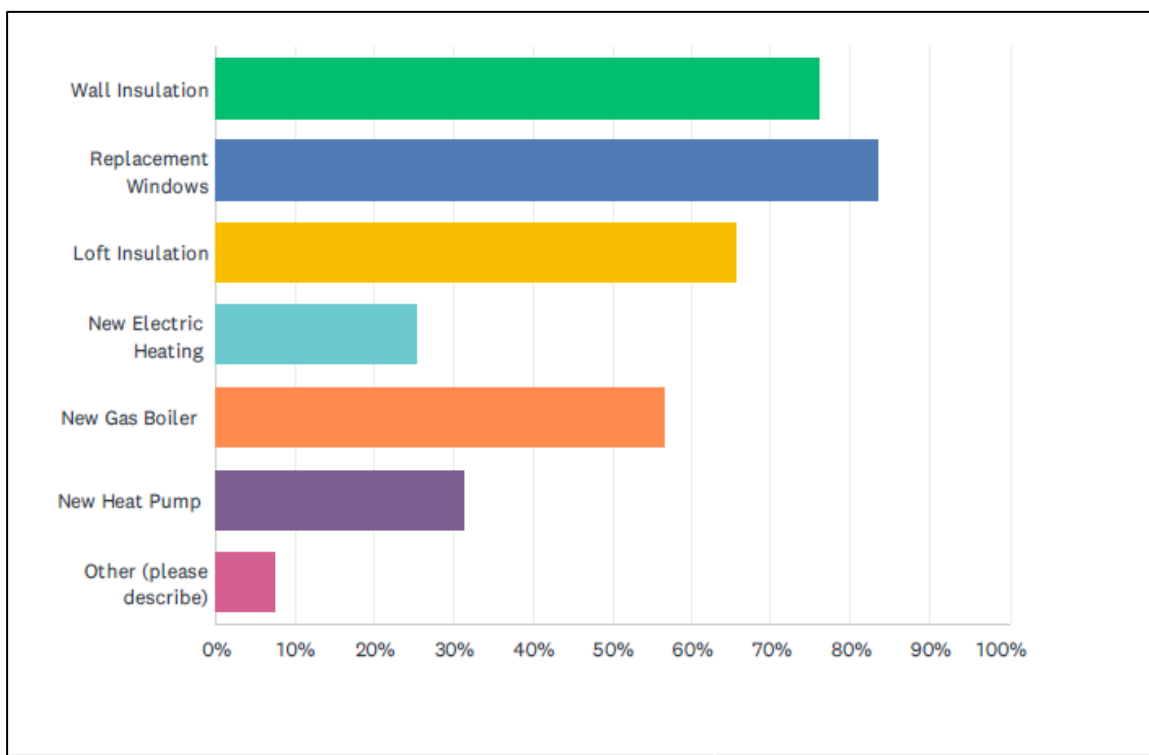
- Good communication and information about installation, benefits, operation, who to contact if there are issues, sufficient notice for install etc.
- Prioritise the potential benefits for the person first before organisations.
- Upheaval entailed with installation.
- Other measures/improvement works that may be required in tandem with installation of zero emission heating systems.
- Good quality installations and products.

2.8.7 Feedback included:

- *Make sure people get the benefit before the organisation.*
- *Enough notice to prepare.*
- *Give sufficient notice of arrival.*
- *Good communication about the install, benefits, things to consider. Info on operation, who to contact if I have any questions etc.*

- *That the property would not fall to bits or move again! If they tried to install any new measure! But would hope they would explain things properly of how everything would work!!*
- *To make sure it was at the lowest price to stop fuel poverty.*
- *Good quality works carried out by qualified technicians and companies.*
- *Assurances that it will benefit residents home.*

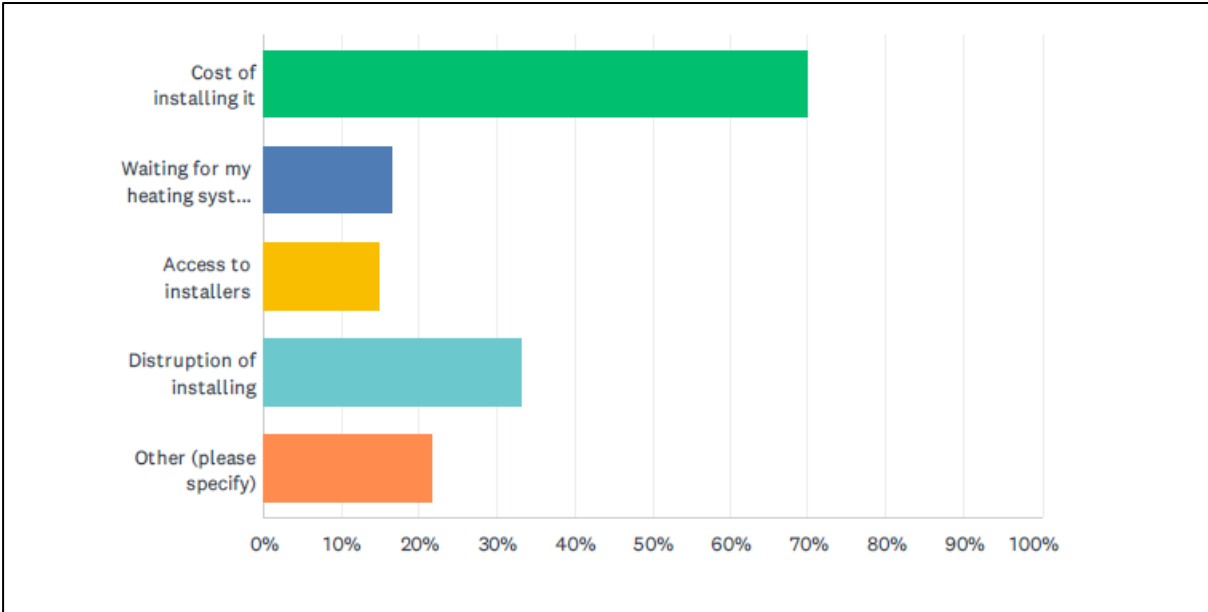
2.8.8 Respondents were asked which energy efficiency measures they had a positive view of. The majority (83.6%, 56 of 67) cited replacement windows. This was followed by wall insulation (76.1%) and loft insulation (65.7%). In a similar way to the responses for the earlier question which asked about which energy efficiency measures that tenants would welcome from their landlord, respondents rated a new gas boiler above a new heat pump (56.7% in comparison to 31.3%).



2.8.9 When it comes to factors that prevent householders from installing measures, the most common issue identified was cost, with 70.0% (42 of 60) of respondents citing this as an issue. Disruption of installing was the next most common issue (33.3%) followed by waiting for their heating system to be replaced (16.7%) and access to installers (15.0%).

2.8.10 Other comments received include issues with general disrepair, which need to be addressed prior to energy efficiency measures, more information required on what is involved, and large scale projects having a better economy of scale with cognisance to be given to the challenges households are facing in the current cost-of-living crisis.

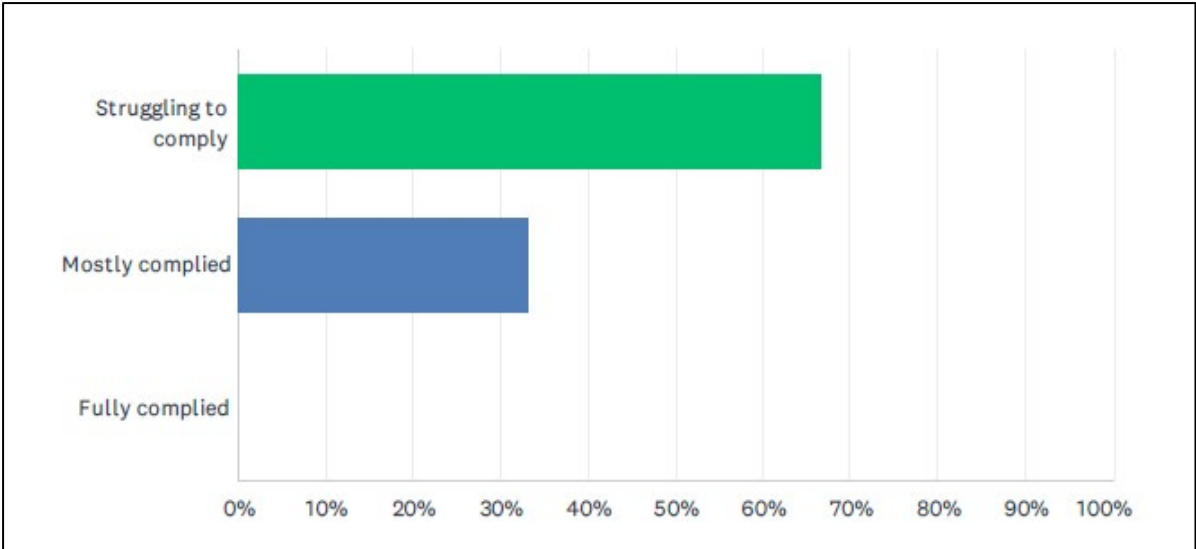
ANSWER CHOICES	RESPONSES	
Cost of installing it	70.00%	42
Waiting for my heating system to need replaced	16.67%	10
Access to installers	15.00%	9
Distruption of installing	33.33%	20
Other (please specify)	21.67%	13
Total Respondents: 60		



Social landlord’s progress towards EESSH (2020) and planned improvements

2.9 There were only 3 social landlords that responded to this question. 66.7% of respondents reported they were struggling to comply with meeting EESSH, with 33.3% reporting they mostly complied.

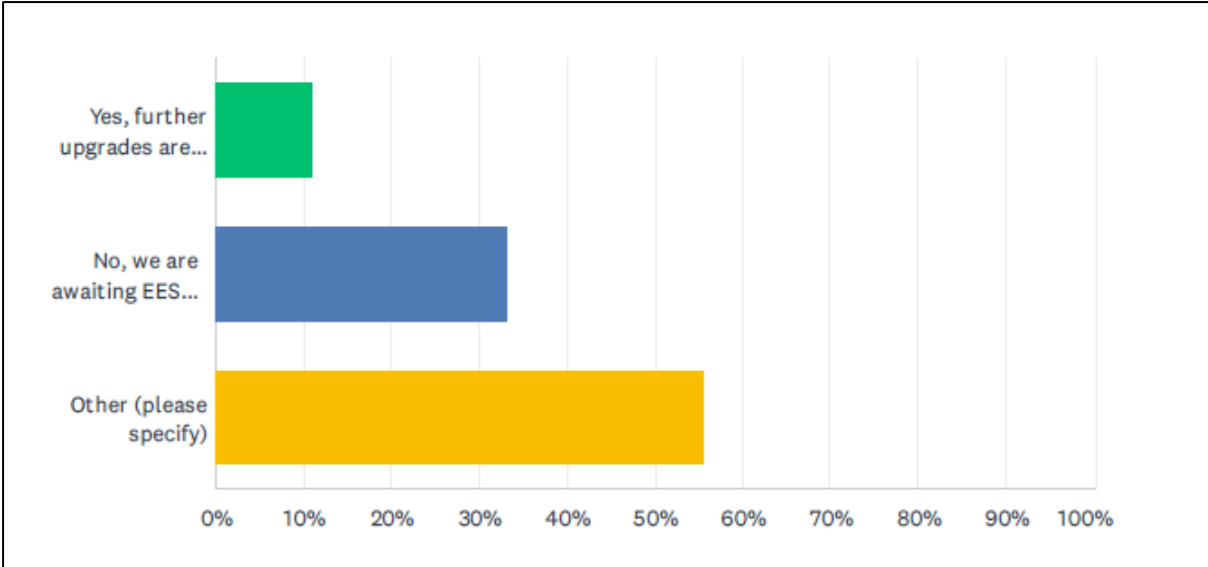
ANSWER CHOICES	RESPONSES	
Struggling to comply	66.67%	2
Mostly complied	33.33%	1
Fully complied	0.00%	0
TOTAL		3



Future Energy Efficiency Upgrades

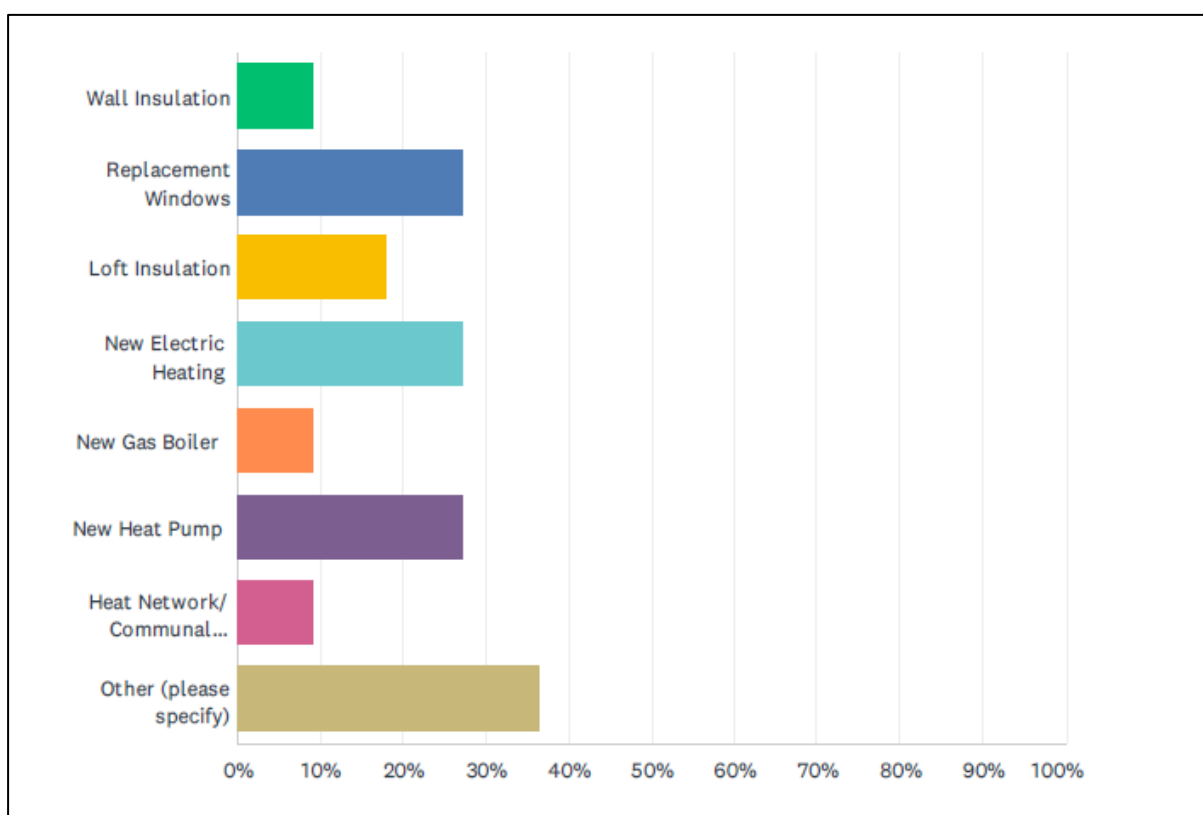
2.10 Most social landlords reported that they were awaiting EESSH2 standards targets being confirmed before planning any further upgrades.

ANSWER CHOICES	RESPONSES	
Yes, further upgrades are planned	11.11%	1
No, we are awaiting EESSH2 targets before planning	33.33%	3
Other (please specify)	55.56%	5
TOTAL		9



2.10.1 In terms of planned investment, landlords predominantly planned to invest in replacement windows (27.3%) new heat pumps (27.3%) and new electric heating (27.3%) followed by loft insulation (18.2%). Wall insulation, new gas boiler, heat network/communal heating system were planned by 9.1% of landlords.

ANSWER CHOICES	RESPONSES
Wall Insulation	9.09% 1
Replacement Windows	27.27% 3
Loft Insulation	18.18% 2
New Electric Heating	27.27% 3
New Gas Boiler	9.09% 1
New Heat Pump	27.27% 3
Heat Network/ Communal Heating System	9.09% 1
Other (please specify)	36.36% 4
Total Respondents: 11	



Lessons learned

2.11 Respondents were asked to outline any lessons learned from installing energy efficiency or low carbon technologies in their buildings. There were very few comments received in relation to this question. Comments received reinforced the importance of improved glazing, wall and loft insulation and in installing low carbon technologies and one comment highlighted that electricity usage was significantly higher.

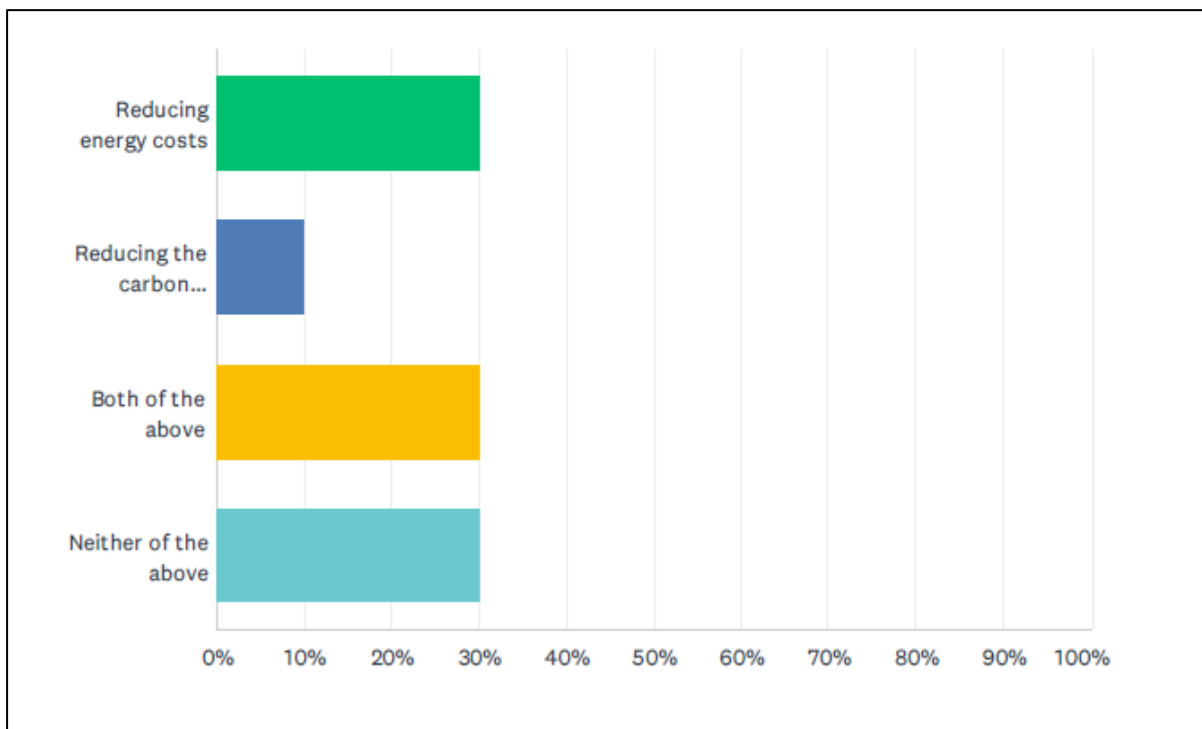
2.11.1 It is likely that the low response rate to this question is due to the early stage of transition across organisations on transitioning to zero emission heating systems.

2.11.2 Respondents were asked to describe any technologies they would prefer not to install and why. There were very few responses to this question, with only one received which noted that issues relating to installation of pipe work and radiators in a concrete house required with an air source heat pump.

Important aspects/considerations for businesses

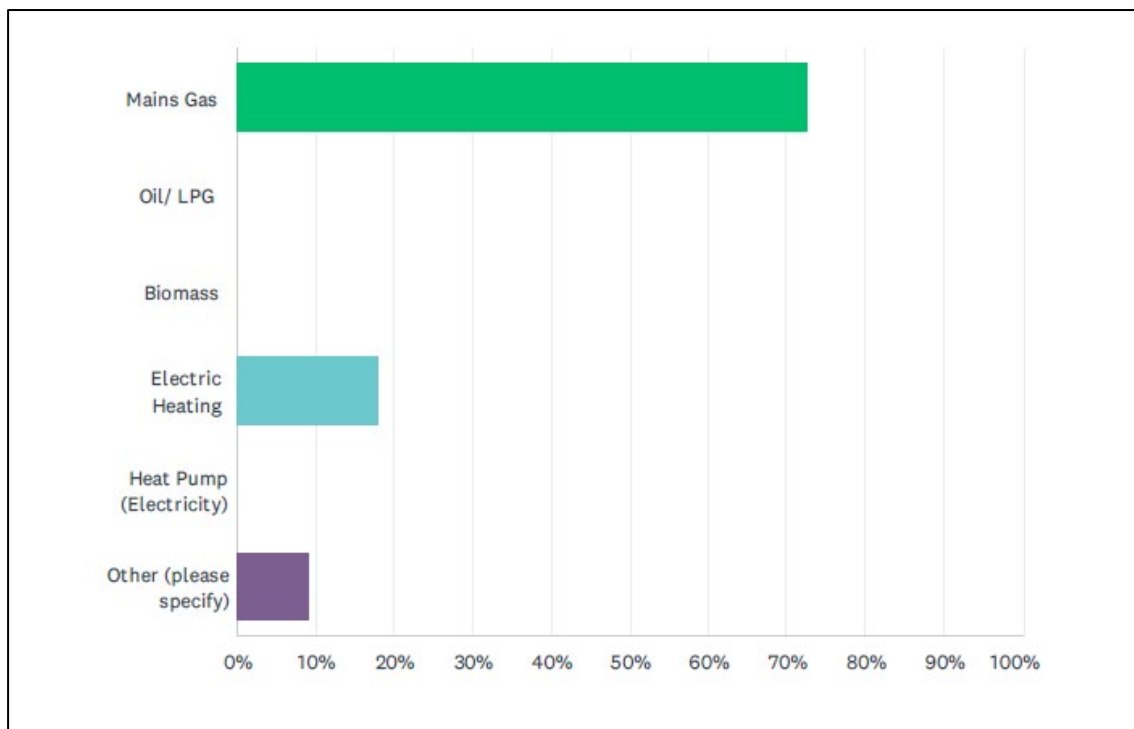
2.12 Respondents rated reduced energy costs, both reduced energy costs and reducing the carbon footprint, and neither of these options as most important to their business.

ANSWER CHOICES	RESPONSES	
Reducing energy costs	30.00%	3
Reducing the carbon footprint	10.00%	1
Both of the above	30.00%	3
Neither of the above	30.00%	3
TOTAL		10



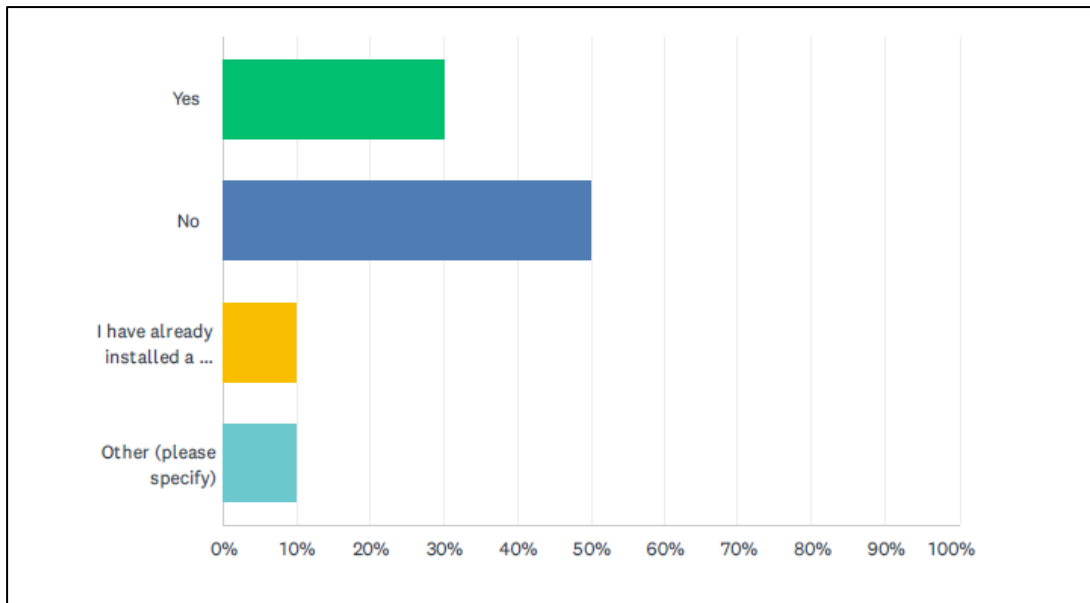
2.12.1 Mains Gas is the predominant fuel used for heating non-domestic buildings rated by respondents (72.7%). Electric heating accounted for 18.1%.

ANSWER CHOICES	RESPONSES	
Mains Gas	72.73%	8
Oil/ LPG	0.00%	0
Biomass	0.00%	0
Electric Heating	18.18%	2
Heat Pump (Electricity)	0.00%	0
Other (please specify)	9.09%	1
TOTAL		11



2.12.2 Most businesses do not currently have plans to install a low carbon heating system (50.0%, 5 of 10 respondents).

ANSWER CHOICES	RESPONSES	
Yes	30.00%	3
No	50.00%	5
I have already installed a low carbon heating system	10.00%	1
Other (please specify)	10.00%	1
TOTAL		10



General comments

- 2.13 Respondents were asked to comment on anything else that should be considered. There were wide ranging comments received, with no consistency of emerging themes. Aspects such as hydrogen as a fuel, a greater focus in the delivery plan on private sector housing given the significant issues regarding energy performance within this sector, costs and funding support were raised.
- 2.13.1 Respondents were also asked if there was anything in the draft strategy that they think is incorrect. There were few comments received in relation to this. Comments that were received cited concerns around proposals being forced on households, greater scope for more community led renewable projects, one query on the heat pump research and another noting that the strategy documents were hard to read for the general public.
- 2.13.2 Opportunities for decarbonising heat and improving energy efficiency highlighted by respondents that they felt were not considered, included exploring how other countries have reached 100% renewable energy.
- 2.13.3 Final comments on the strategy, delivery plan or the questions in the survey were encouraged. A few responses were received, which suggested that the strategy should be simplified to aid understanding and one respondent queried how the strategy could be delivered within timescales given everyone is looking to achieve the same objectives within the same timeframe.

Next Steps

- 3.1 The feedback received throughout all consultation phases helped inform the final strategy.

- 3.2 The draft strategy was also submitted to the Scottish Government for review, an opportunity provided by the Scottish Government to assist local authorities in the development of their LHEESs and accompanying delivery plans.
- 3.3 Formal feedback was received by the Scottish Government in late December 2023. Although this feedback was received after the publication of the final LHEES, it is currently being considered and the published LHEES will be updated early in 2024 to reflect the comments and feedback received from the Scottish Government.

Appendix – Survey questionnaire

Q1. Which of the following applies to you

- I rent a home in NL
- I own my home in NL
- I have a business in NL
- I represent a social landlord
- I am a private landlord within NL
- Other (please specify)

Q2. The Local Heat and Energy Efficiency Strategy considers ways of decarbonising heat and improving energy efficiency, particularly where it can reduce fuel poverty. Are there any factors we should consider when prioritising where to target measures?

Q.3 Are you familiar with heat networks as a possible low carbon heat source?

Q.4 Is your view of heat networks...

- Very positive
- Mostly negative
- Very negative

Q.5 Would you be happy for your landlord to install energy efficiency improvement in your home?

Q.6 Which of the following would you be happy to have installed in your home? (select all that apply)

- Wall insulation
- Replacement windows
- Loft insulation
- New electric heating
- New gas boiler
- New heat pump
- Other

Q7. Please describe any concerns you have about the above technologies?

Q.8 Please describe anything that would be important to you if your landlord were planning to install energy efficiency measures in your home?

Q9. Which of the following do you have a positive view of?

Q.10 Are any of the following preventing you from installing the measures selected? (choose all that apply)

Cost of installing it

Waiting for my heating system to be replaced
Access to installers
Disruption of installing
Other (please specify)

Q.11 If you represent a social landlord, please highlight your progress towards EESSH (2020)

Struggling to comply
Mostly complied
Fully complied

Q12. Are you planning further energy efficiency upgrades?

Yes, further upgrades are planned
No, we are awaiting EESSH2 targets before planning
Other (please specify)

Q13. Which of the following do you plan to install?

Wall insulation
Replacement windows
Loft insulation
New electric heating
New gas boiler
New heat pump
Heat network/communal heating system
Other (please specify)

Q14. Please outline any lessons learned from installing energy efficiency or low carbon technologies in your buildings.

Q15. Please describe any technologies you would prefer not to install and why.

Q16. Which of the following are important to your business?

Reducing energy costs
Reducing the carbon footprint
Both of the above
Neither of the above

Q17. What is the primary fuel used for heating your building?

Mains gas
Oil/LPG
Biomass
Electric heating
Heat pump (electricity)
Other (please specify)

Q18. Do you have plans to install a low carbon heating system?

Q19. Is there anything else we should consider?

Q20. Is there anything in the proposed Strategy that you think is incorrect?