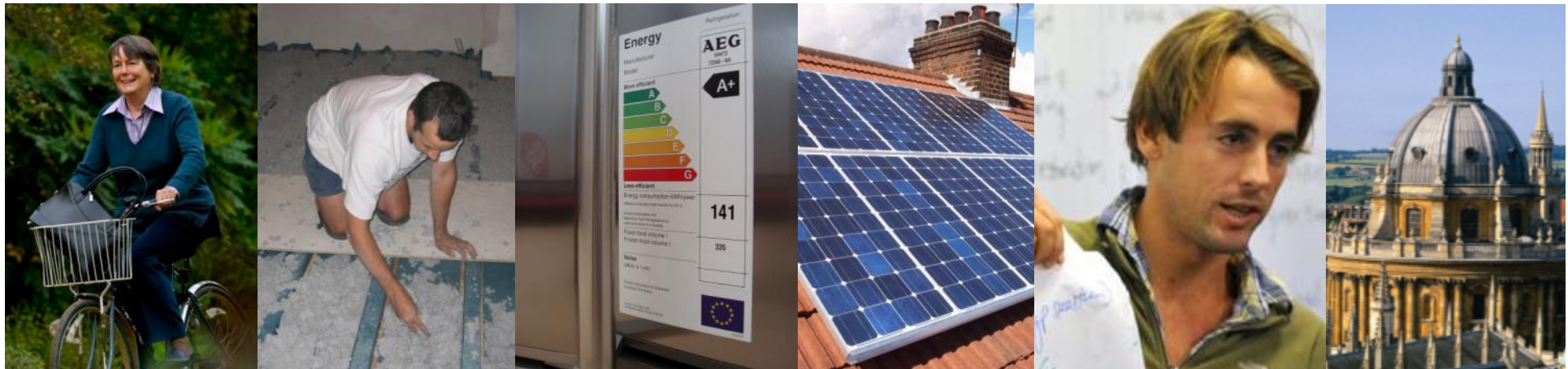


Environmental *Change* Institute



Building Expertise: Identifying policy gaps and new ideas in housing eco-renovation in the UK and France

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Outline of talk

- Key housing and energy comparisons in UK and France
- Current policy
- Policy gaps
- New ideas
- Final thoughts

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Key comparisons

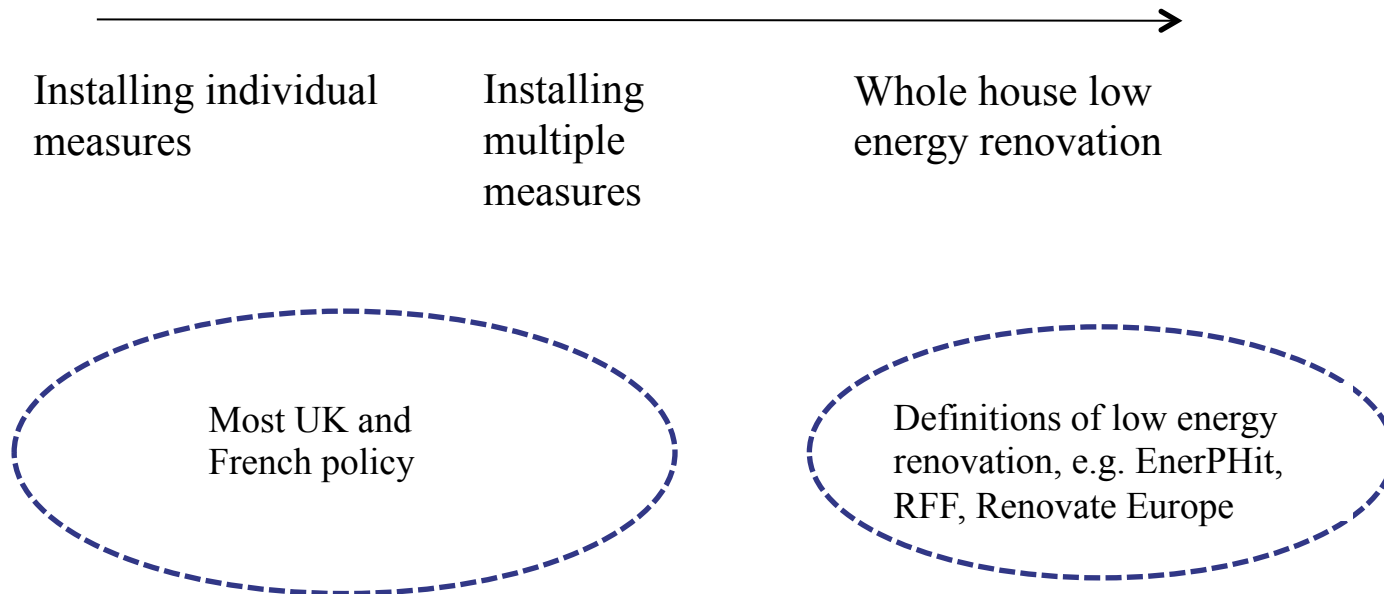
- Very similar populations (France 63.5m, UK 62.3m)
- Similar tenure (France – owner occupation 62%, social rental 18%, private rental 20%). Somewhat higher owner occupation and lower private rental in the UK (but this is changing).
- Very different built form – many more flats (34%) and detached homes (44%) in France, compared with 14% and 26% in UK, where 60% of homes are semi-detached or terraced (row).
- Much more variation in main heating fuel in France – gas 44%, electricity 33%, oil 15%. In the UK 84% use natural gas.
- More climate variation in France than the UK.
- Very hard to know whether there is a significant difference in the thermal efficiency of housing stock, probably similar.

Policy summary

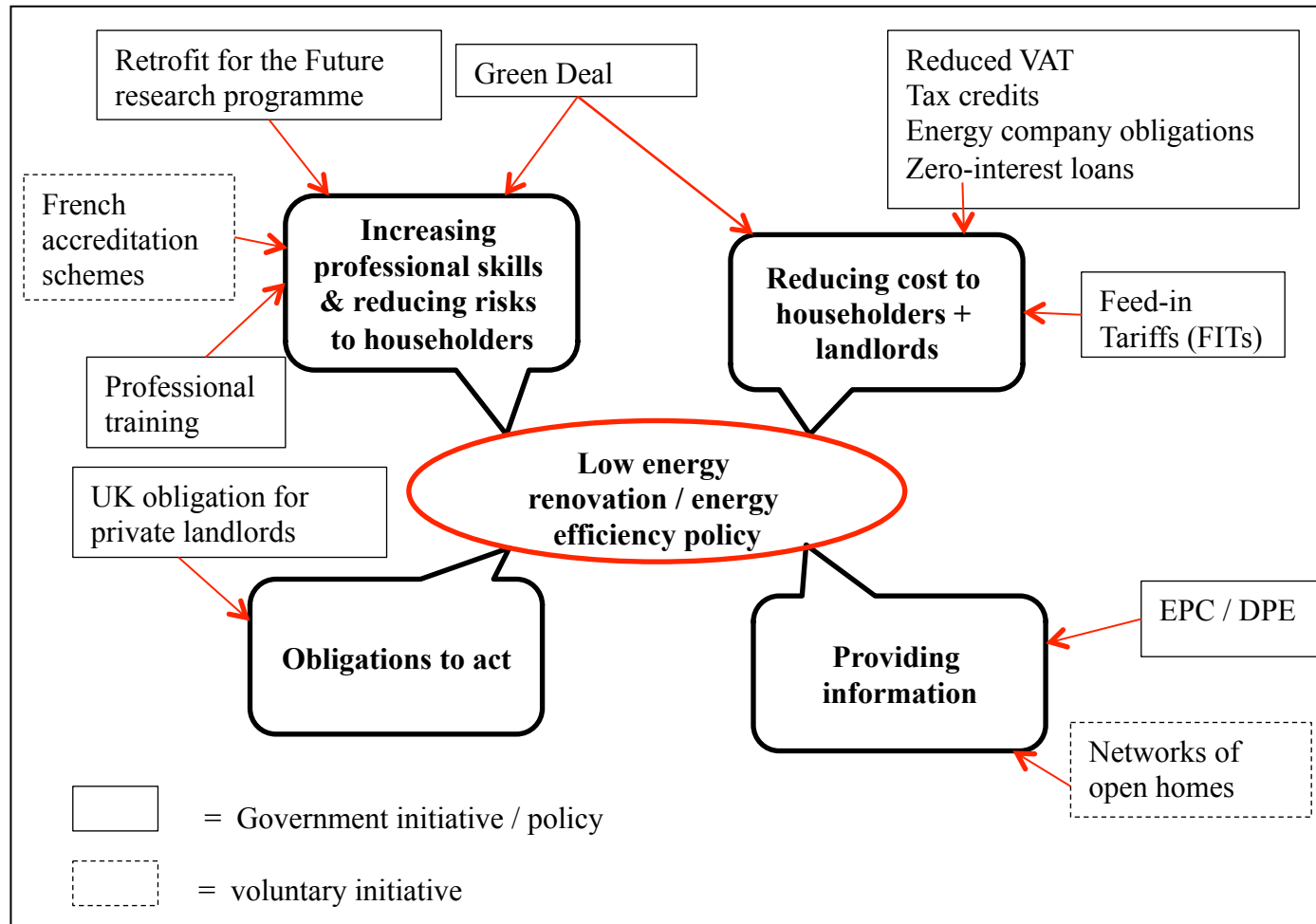
Policy	UK	France
VAT reduction	No Standard 20% rate with very limited exceptions	5.5% (compared with 19.6% standard rate)
Tax credit	No	Part of renovation expenses can be claimed as a tax credit - <i>crédit d'impôt développement durable</i> .
Subsidized loans	Subsidized interest rates via Green Deal, estimated at 7.5%. Household limit = £10,000 (12,000 Euro).	Zero interest loans. <i>l'éco-prêt à taux zéro</i> (PTZ) Amount depends on renovation measures, can be up 30,000 Euro for a 100m ² dwelling.
Energy company obligations	Yes – residential sector only - the Energy Company obligation (ECO)	Yes – across several sectors.
Energy surveys and labels at point of sale / rental	Energy Performance Certificate (EPC), introduced from 2007.	Diagnostic de Performance Energétique (DPE), introduced in 2006.
Targets for renovation	No	Grenelle 1 national target that 400,000 housing units per year will be renovated starting in 2013

Range of low energy renovation

Increasing carbon & energy savings



Summary of renovation policy approaches



Policy gaps: what is missing

- An overall strategy / roadmap to reach 2050 carbon reduction targets
- Policy focusing on increasing the number of whole-house low energy renovations
- Policy which works with the building and renovation industries to encourage innovation, improve quality and reduce risks for customers
- Policy which addresses the non-financial reasons people choose not undertake low energy renovation at various levels of ambition
- Policy focusing on groups other than individual owner-occupiers (e.g. communities, landlords, tenants, building owners, copropriétés)
- Policy designed to operate in particular local and regional, rather than national, contexts
- Support for voluntary groups / social enterprises which can work effectively to encourage change
- Linking policy on improving buildings with changing energy-related choices and behaviours within those buildings

New ideas and initiatives

Innovative approaches from business and social enterprise

- Company offering guaranteed performance contracts (France)
- Eco-artisan scheme (France)
- Consultancy / project management for eco-renovation (UK)
- Social enterprise, providing information and inspiration (UK)

New ways of approaching policy

- Over time eco-renovation



Final thoughts

- Do the UK and France really have low energy renovation policies? Little in the way of a strategic approach which would lead to a sufficiently low energy and low carbon housing stock by 2050.
- Social enterprises and businesses in both countries are trying out new approaches. They are aware of the need to replicate what they are doing at much larger scale – and governments could assist in that process.
- Many of the business innovations are targeted at higher income householders who are already interested in renovation.
- Social enterprises can reach a broader range of people, and by knowing local conditions can respond to the audiences they serve.
- New policy ideas, such as low energy renovation carried out over time, could broaden the appeal of renovation and engage more households in this process.

Green Deal

- Designed to enable and encourage people to undertake packages of eco-renovation work in their homes, rather than just installing individual measures
- Paid back via electricity bills and will be attached to the property, not the householder
- The amount which a householder can borrow under Green Deal is limited by the 'Golden Rule', which is that loan repayments must not exceed expected reductions in energy bills. There will be a limit of £10,000 per household, with interest rates expected to be around 7.5%

There is a lot of concern around how effective Green Deal will be – time will tell....

