

ENERGY PERFORMANCE OF BUILDINGS - RESOURCES

Abstract

This report advises on the resource implications of the EU Directive on the Energy Performance of Buildings as the Government prepares to enact legislation, which will introduce new energy management obligations in January 2006.

RECOMMENDATION

The Resources and Central Services Committee is recommended to: -

1. note the contents of this report;
2. note that the Director of Property Services will continue to monitor developments and establish appropriate management arrangements to ensure compliance with the Directive.

1 INTRODUCTION

Report No 131/05, ENERGY PERFORMANCE OF BUILDINGS, noted by the Resources and Central Services Committee, on 03 February 2005, advised of the implications of this Directive and that the Director of Property Services would continue to monitor developments, assess their impact and submit a further report detailing the resource implications of this legislation

This report provides that update and assessment.

2 BACKGROUND

The new European Union Directive on the Energy Performance of Buildings is intended to ensure that building standards across Europe place a high emphasis on minimising energy consumption. This will reduce the use of energy of buildings across Europe, without requiring huge additional expenditure, whilst at the same time perceptibly increasing comfort for users.

The introduction, from January 2006, of the EU Directive on the Energy Performance of Buildings will require that the energy and CO₂ performance of all council non-housing buildings is assessed against standards set for each type of building and the production of an Energy Performance Certificate which declares this performance, all as detailed in Report No: 131/05.

It will also introduce a requirement for independent assessment of the efficiency of boilers, heating and air conditioning plant to promote energy efficiency.

Energy performance certificates shall be displayed in all public buildings > 1,000 m² to permit public inspection and landlords shall ensure that all buildings subject to disposal or lease have an energy performance certificate available for inspection by the purchaser or leaser as part of negotiations.

All new buildings and buildings subject to major refurbishment shall require an energy performance certificate.

Existing energy performance certificates shall be regularly refreshed on a cyclical basis.

3 RESOURCE IMPLICATIONS

An assessment of the resource implications of this Directive has been undertaken and having regard to the requirement for energy performance certificates, and plant efficiency assessments, to be provided by an accredited independent agency it will not be possible for the Property Services department to undertake these duties.

Such agencies are not yet established and it is therefore difficult to provide an accurate assessment of the costs involved. Nonetheless the scale has been estimated on the basis of the number of activities needing to be undertaken on both an initial and annual basis and the duration and rate deemed reasonable to undertake each activity.

Consideration has also been given to the appropriate charging mechanisms to meet the costs of these new requirements as detailed in Table 1.

Table 1 Resource Implications

Energy Performance Certificate	Building Type	No	Estimated Cost	Comments
Design Rating	New build and refurbishment projects	14 p.a.	£16,800 p.a.	Fee charge to each project irrespective of budget source
Operational Rating	Buildings >1,000 m ²	48	£9,600 for Initial Assessment	Energy Management Unit Budget charge
Operational Rating	All other buildings	180	£7,200 p.a. 5 year cycle of initial production and review	Energy Management Unit Budget charge
Operational Rating	Disposals and leases	50 p.a.	£10,000 p.a.	Charges to disposal suspense accounts or lease incomes
Energy Efficiency of plant		60 p.a.	£5,000 p.a.	Additional provisions in the Centralised Property Management portion of the Corporate Property Maintenance budget

4 FINANCIAL IMPLICATIONS

The financial implications of this report will be considered during the budget setting process for 2004/05.

5 HUMAN RIGHTS ACT IMPLICATIONS

There are no Human Rights Act implications specific to this report.

6 CONSULTATION

The Chief Executive, the Director of Law & Administration and the Acting Director of Finance have been consulted in the preparation of this report.

7 CONCLUSION

The Resources and Central Services Committee is recommended to note the contents of this report and note that the Director of Property Services will continue to monitor developments and establish appropriate management arrangements to ensure compliance with the Directive.

REFERENCES

<u>Committee</u>	<u>Date</u>	<u>Report No</u>	<u>Subject</u>
Resources and Central Services	03 February 2005	131/05	energy performance of buildings

BACKGROUND PAPERS

No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information), were relied on to any material extent in preparing the above report.

M G Lunny
Director of Property Services