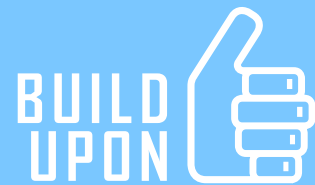


DECLARATION IN 10 POINTS FOR A BETTER NATIONAL RENOVATION STRATEGY AND AN EFFECTIVE IMPLEMENTATION PLAN



INITIAL RECOMMENDATIONS
AUGUST 2016

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Roinn Cumarsáide, Eilimhaisithe
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Department of Communications,
Climate Action & Environment

ACKNOWLEDGEMENTS

We would like to thank all the participants who attended and contributed to the workshops. These are listed page 9. In particular we would like to thank the facilitators (Chris Chapman and David Philip), visual artists (Eimear McNally and Hazel Hurley) and all the speakers involved in this process. These are documented in the individual workshop reports available at www.buildupon.eu/ireland.

INTRODUCTION

Over the last year, the Irish Green Building Council (IGBC) (www.igbc.ie) has been working to build a community of experts and stakeholders to develop the V.2.National Renovation Strategy that Ireland must deliver by April 2017 under the EU Energy Efficiency Directive. The Department of Communications, Climate Action & Environment is responsible for producing Ireland's national renovation strategy.

The details of this strategy are critical to deliver a “fully decarbonised built environment that delivers a better quality of life for all”. How will we finance the long term investment strategy required for our building stock over the next 35 years? How will we reach our climate targets? All these questions must be answered by Ireland's National Renovation Strategy V.2.

This document presents a list of recommendations flowing from four workshops on large scale deep renovation organised by the IGBC, in conjunction with the Department of Communications, Climate Action & Environment in April – June 2016. A copy of the workshop reports can be downloaded at www.buildupon.eu/ireland.

The IGBC is now inviting comments from interested parties on these initial recommendations.

DECLARATION IN 10 POINTS FOR A BETTER NATIONAL RENOVATION STRATEGY AND AN EFFECTIVE IMPLEMENTATION PLAN

1 PLAN THE ROADMAP, USE BACKCASTING

Backcasting can be a useful approach and by setting clear targets, one should backcast from them. In particular, workshop participants highlighted the importance of agreeing on a destination (including interim targets) and a time for each building sector. With regard to public buildings, the workshop participants suggested setting long-term targets at entity level – This would also increase accountability.

2 TAKE A LONG-TERM HOLISTIC APPROACH

Retrofitting Ireland's building stock requires cross-sector cooperation and an integrated cross-departmental approach.

The Department of Communications, Climate Action & Environment is responsible for producing Ireland's national renovation strategy. Since evidence suggests that energy efficiency is the most effective method of achieving Ireland's decarbonisation goals, a failure to adequately invest in energy efficiency could lead to Ireland adopting more expensive pathways towards the achievement of its climate targets. Furthermore, large scale deep renovation can have a positive impact on job creation and a myriad of social benefits (e.g. better health, higher staff productivity). For all those reasons, the departments of education, finance, health, housing and jobs should also be involved in designing and implementing the strategy.

At project level, better cross-sector engagement is required. The process should encourage designers, contractors, facility managers, end-users, etc. to engage more with each other.

3 INVEST IN DEEP RENOVATION NOW

As it currently stands, Ireland is likely to be fined for not reaching its binding 2020 climate/energy targets. Instead of paying substantial fines in 2021, it is advised to invest the money in deep renovation now. There is a strong business case for the private sector to pursue deep renovation, however, financial incentives such as grants and / or tax incentives could accelerate market transformations. Actions suggested included enhancing grants and tax incentives for private landlords undertaking deep retrofit, as well as introducing tax credits for private organisations implementing energy efficiency measures.

With regard to social housing, it was recommended to streamline access to public funding for local authorities and other social housing providers.

Large public sector buildings including hospitals, prisons, universities and commercial buildings require a long term investment strategy for deep renovation.

Several actions were also suggested to enhance the impact of existing grants in the residential sector. In particular, more funding should be allocated to deep retrofit as opposed to "shallow" measures. This could be undertaken through a step-by-step deep renovation approach. While budgetary cycles often lead to "rush projects", multi-annual funding agreements for programmes such as the Better Energy Communities could address this issue. Part of the funding could also be used to provide technical support to end-users through local intermediaries and to introduce different types of energy performance guarantees.

4 ENABLE INNOVATIVE FINANCING TOOLS & MOBILISE PRIVATE FUNDS

While targeted and effective government incentives could be part of the solution, the scale of the challenge means that private investment will also need to be mobilised.

Participants suggested the introduction of low interest loans (green loans) for homeowners who undertake deep renovation. This mechanism could initially target first time buyers of second-hand houses willing to deep retrofit their home. Loans for financing deep retrofit are much less risky for banks and homeowners as the lower operational cost and greater valuations over time reduce the risk of mortgage default.

It was also recommended that the opportunity of introducing green leases in Ireland be explored as a way to tackle the split incentive issue between tenants and landlords. A green lease is a lease agreement which is intended to ensure that a leased property is used and managed in a manner which fosters sustainability. Green leases are a tool for engagement between landlords and tenants to facilitate the better sharing of data on the operation of the building. These can range from legally enforceable lease clauses which are integrated into the lease, to non-legally binding Memorandums of Understanding (MoUs) between the parties. A more detailed report on the opportunity of introducing Green Leases in Ireland is available at www.buildupon.eu/ireland.

Transferring technical and other risks away through energy performance guarantees is a potential route to deep renovation. Energy Service Companies (ESCOs) use energy savings to fund solutions without upfront investment required from the building owner. Being given the size of the Irish market and potential projects and the low energy intensity of our economy, project aggregation and facilitation is required if the ESCO model is to work here. As quality energy performance data (including post-occupancy) are vital to the success of this model, the use of the International Performance Measurement and Verification Protocol (IPMVP) is recommended.





5 RAISE AWARENESS

Multiple strategies and communication tools are required to better target various segments of society. Awareness campaigns should be well targeted and avoid jargon. Efforts should be made to better understand people's motivations and behaviour, while energy saving is a bonus, it's often not the main motivation. The co-benefits of deep renovation (e.g. comfort, higher staff productivity, attractive makeovers) must be better promoted.

Government leadership and local champions are also key in raising retrofitting awareness, in particular, a clear political commitment is needed. Public figures could be used as champions and at local level, local authorities and energy agencies could also act as deep retrofit leaders. They could play an exemplary role in showcasing good high-quality solutions on public buildings and social housing. However, this would require a higher level of accountability on energy efficiency of senior management. Retrofitting schools to high quality standards could also have a multiplier effect on the level of deep renovation in Ireland.

6 MAKE DEEP RENOVATION AS EASY AS POSSIBLE

While awareness campaigns should help in making deep renovation desirable, it must also be made as easy as possible.

When it comes to the residential sector and small businesses, this could be done through trusted local intermediaries, which should provide independent advices at all stages of the renovation process (planning, execution and post-renovation).

Step-by-step guidance for various building types and end-to-end project support should also contribute to an uptake of deep renovation in the public sector.



7 MAKE SURE WE HAVE THE RIGHT SKILLS

Deep renovation is far more likely to happen at key moments in time e.g. when a house is sold or extended. Construction professionals and tradesmen are at the interface with end-users and well placed to advise them on renovation on a daily basis. Therefore, these professionals and tradesmen need to be fully aware of retrofitting options. In addition, robust quality assurance for projects (from start to finish) is key and will only be achieved if we have the right skills.

Nevertheless, upskilling should not be limited to the construction industry. The financial sector needs to gain sectoral expertise, to better understand the risks and ultimately to develop a standard framework for funding of deep retrofit. In the public sector, further training in procurement is required - Not only in the legal and administrative part but also in the technical aspect of procurement (e.g. what service do you require and what questions you need to ask of the market in order to get the desired outcome?).

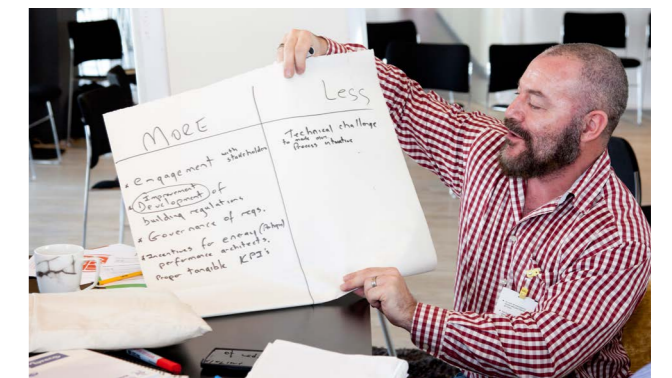


8 SET THE RIGHT STANDARDS

A mix of incentives and regulation are required to make large scale deep renovation happen in Ireland. As there is a risk that the majority will only meet the bare minimum requirements, high standards are needed.

Several potential reforms were mentioned and should be explored further:

- Gradually banning leasing of properties that do not reach minimum BER standards
- Introducing BCAR type process for all deep retrofit projects and minimum NZEB retrofit regulation
- For public bodies:
 - Introducing more flexibility for multi-year accounting for deep renovation projects
 - Giving public bodies discretion to re-deploy budget resources no longer needed within their annual budget allocation to pay for energy to other areas of their operating budget
 - Using the social return on investment (SROI) method when designing procurement guidelines to better incorporate co-benefits
 - Streamlining the public procurement process
 - Including energy performance in all procurement decision making and specifying standards for energy performance in all new long-term public sector leases
 - Making ISO50001 compulsory for all public offices over a certain number of square metres (to be defined)



THANK YOU TO ALL OUR WORKSHOPS PARTICIPANTS

9 DEVELOP QUALITY DATA

Comprehensive data is key for accurate baselining and planning, hence the need to collect good quality data on the existing building stock in terms of buildings age, energy efficiency and ownership.

Beyond energy savings large scale deep renovation has positive impacts on jobs creation, health and wellbeing, as well as staff productivity, yet, these co-benefits need to be better quantified. Taking energy savings and co-benefits fully into consideration could significantly contribute to deep renovation business case.

Significant data is already available but they are not always captured in a useful way. Energy, education and health data, as well as national and local data, need to be married and studied in a more comprehensive way.



10 COLLABORATE & ENGAGE

To reach its full potential, the national renovation strategy must be defined and implemented in a transparent, fair and inclusive way. More specifically, sustained community engagement and better cross-departmental collaboration are needed.

Finally, the ongoing strategy process should be smart and adaptive. How the industry or Ireland will look like in 2018 is hard to predict. As a result, flexibility to tweak the strategy as circumstances change is required. In particular, we need to learn from experience and to recognise opportunities when they arise.



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HOW CAN YOU ENGAGE?

Key areas where stakeholders are able to engage and input during the BUILD UPON process include:

Renovation stakeholder systems maps: Over 1,000 individual key stakeholder organisations have been mapped across the project countries. Your input is welcome to help ensure they are a representative picture of the key organisations that need to collaborate on Ireland's National Renovation Strategy V.2.

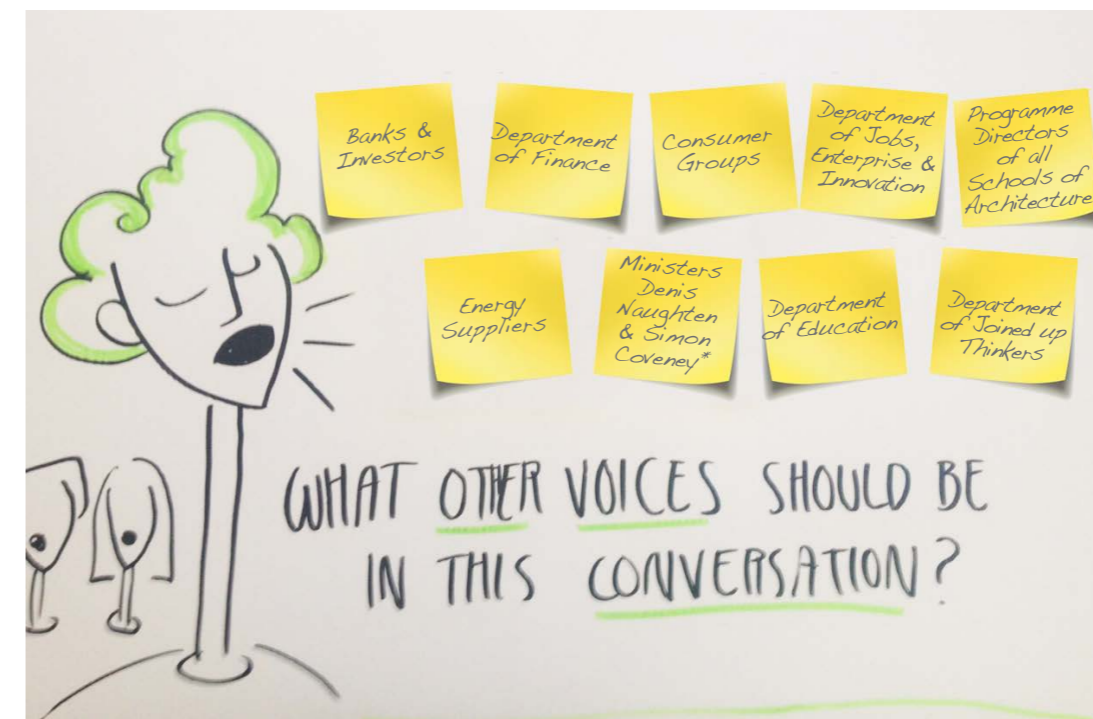
"RenoWiki" is a groundbreaking online portal which allows individuals to upload real-life initiatives on building renovations in Europe in order to share best practice and successful initiatives. To date, there are more than 550 initiatives (including 59 Irish initiatives) on the RenoWiki. Examples include Latvia's 'Lets Live Warmer', an award-winning awareness raising campaign that has led to greater uptake of housing insulation, and Ireland's "QualiBuild", a training programme to ensure a construction force capable of delivering quality energy efficient renovation.

COLLABORATING ON WORKSHOPS AND EVENTS:

A series of over 80 events in the 13 project countries will bring stakeholders together during the project. As part of this process, six high level Building Renovation Workshops will be organized across Ireland by the Irish Green Building Council. The workshops are supported by the Department of Communications, Climate Action & Environment and are a must for anyone who wants to ensure their voice and views are heard in Ireland's the national renovation strategy process.

- ✉ Email Us: Marion@igbc.ie
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WHAT OTHER VOICES SHOULD BE IN THIS CONVERSATION?



The following missing key stakeholders were identified by workshop participants as key to the development of the strategy

*Senior representatives from the Department of Energy, Communication and Natural Resources and from the Department of Environment, Community and local government attended workshops.

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