Supporting energy efficiency upgrades for existing homes through informed policy and program design:
Social housing sector perspectives
Acknowledgement of country

The work documented in this report took place on the land of multiple Aboriginal and Torres Strait Islander peoples.

It relates to reducing the impact of residential properties on the environment, and as such acknowledges the deep wisdom of elders past, present and emerging, in particular their deep knowledge around ways to co-exist with nature.

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Overview

Information on the purpose of this work, why this work was undertaken, who was involved, and the engagement methods used.
About this report

The information in this report was compiled by the Residential team in the Climate Change & Sustainability Division under the NSW Department of Planning, Industry and Environment, with support from Meld Studios. This consultation was delivered on behalf of the Commonwealth, State, and Territories involved in the National Energy Productivity Plan (NEPP), Major Projects Implementation Team (MPIT).

It represents the views of stakeholders who participated in an extensive engagement process (See Engagement approach, pages 4-6) to inform the design of future voluntary energy policy and programs for existing residential properties. For example,

- Extending the Nationwide House Energy Rating Scheme (NatHERS) to existing homes.
- Disclosing energy performance information at the point of sale.
- Minimum rental standards.
**Context**

**Understanding where this works fits in to the big picture**

Australian households are directly responsible for around 20 per cent of Australia’s greenhouse gas emissions [1]. The average household’s energy use generates more than seven tonnes of greenhouse gas emissions each year.

**Of the 10 million plus homes across Australia, around sixty percent are over 20 years old.** The average Nationwide House Energy Ratings score for these homes is only 1.5 out of a possible 10 stars [2].

This leaves significant opportunities for improvements.

Commonwealth, State and Territory governments want to realise these opportunities by creating policies and programs that will see an **increase in the energy efficiency of existing homes across Australia.**

This will reduce the energy consumption of these homes, and therefore householders’ electricity bills. These homes will become healthier and more comfortable to live in, as they will be cooler in summer and warmer in winter. Carbon emissions will also be reduced as a result.

Nationally consistent home energy ratings (and related recommendations on property improvements) are required to inform the design of future energy policy and programs for residential properties.

**Unfortunately, while this information is available for new homes, it is generally unavailable for most existing homes across the country.**

Australia has almost 1 million people living in around 500,000 social housing dwellings across the country. As many of these properties were built over 40 years ago, it is assumed their energy efficiency is amongst the lowest in Australia.

**Recognising the opportunity to collaborate with the sector to support them to increase the energy efficiency of these dwellings**, the NSW Department of Planning, Industry and Environment (on behalf of the Commonwealth, State and Territories) engaged with public agencies (agencies) and community housing providers (providers) through a range of co-design sprints to:

- Understand the type of information required, as well as how this might be obtained and used.
- Co-design concepts to address potential challenges, so these issues can be considered and addressed.

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[1] According to yourhome.gov.au
Engagement approach
Key activities

Understand the problem from a sector perspective
Co-design the problem
June – Sept 2020

Deep dive into how policies and programs could be informed and used by the sector
Identify challenges and concepts
Oct 2020 - May 2021

Learnings provided to the Commonwealth, states and territories.
Use information gathered to shape policy & programs
June 2021 – Dec 2021

What we heard from stakeholders...

Thanks for the session it was really interesting to hear everyone's input and excellent to see all this happening.
I have been learning a lot

Thanks for the session, it was really interesting to hear everyone’s input and excellent to see all this happening.
I have been learning a lot.
Engagement approach
Key participating organisations

Queensland Government
Housing CHOICES AUSTRALIA
ACT Government
SGCH
Tasmanian Government
ncch
Land & Housing Corporation
Government of South Australia
SA Housing Authority
CENTRAL AUSTRALIAN AFFORDABLE HOUSING
MISSION AUSTRALIA Housing
VICTORIA State Government
Government of Western Australia
Department of Communities Housing
bhc
COMMUNITY HOUSING LTD
GROUP OF COMPANIES
foundation HOUSING
UNITY HOUSING COMPANY
PowerHousing Australia
Community Housing Industry Association
SOUTHERN CROSS HOUSING
cefc
Engagement approach
Who was involved

We engaged a range of stakeholders with titles such as:
- CEO
- Assistant Director, Energy Efficiency Team
- General Manager, Portfolio Maintenance
- Head of Corporate Affairs and Communication
- Principal Project Manager, Environmental Management Unit
- Senior Project Manager, Environment team
- Works Program Planner, Asset Operation
- Assets General Manager
- Assets Coordinator
- Portfolio Planner
- Project Manager, Asset Strategy
- National Projects Implementation Manager
- Manager Sustainability
- Senior Program Officer
- Architect
- Design Manager

We engaged with organisations who provide social housing to people across most of Australia
Key Takeouts

Five key insights about this work, for those looking for a quick overview.
Many agencies and providers realise that energy efficiency upgrades are important, and need information to drive towards these upgrades.

Agencies and providers want energy efficiency information for properties they own and manage. The diagram below summarises the type of information social housing providers say they need, as well as what they need this information for.

For more detail on this see Section 1: What the Sector Needs, page 13.
Energy efficiency outputs can be generated using property data the sector already has access to, then augmented over time.

Many agencies and providers say they have a range of existing data points that could feed into energy ratings and related information.

- Construction date
- Postcode
- Building type / class (house, apartment)
- Building material (e.g. brick, weatherboard)
- Fixed heating/cooling (year, model, stars)
- Hot water (year, model, stars)
- Energy efficiency upgrades (e.g. solar, insulation)

Agencies and providers would also appreciate the opportunity to collect and input more data with time to strengthen the reliability of ratings and thermal shell performance, and get more targeted upgrade recommendations. Data collection would leverage existing property visits, training, collection tools and quality assurance processes already in place.

For more detail on this see Section 3: Generating ratings and related outputs, page 16.
Support to collect and use the information would be appreciated

The sector would appreciate support to collect, understand and use energy outputs & information through a range of mechanisms.

To collect good quality data and use information that’s generated, the sector would like "lite" training materials and decision making tools e.g. tools that help organisations to understand update options; benefits to organisations and tenants; and how much it will cost to install, buy and maintain upgrades.

Creating a national forum that brings together public agencies and community housing providers to support interventions through shared learnings and more collaboration across the sector, is also seen as desirable.

For more detail on this see Section 4.3: Supporting sector-wide progress, page 33.
There is a recognition that sharing this data could be beneficial, but only if associated risks are carefully managed.

Data sharing and access will enable a range of decision-makers (including social housing organisations and government policy and program makers) to make informed decisions leading to more Australian homes becoming energy efficient. Desirable principles around the sharing of information include:

- **Allowing each organisation to choose what they share, and don’t.**
  
  Noting that agencies may need to give providers sharing permissions if agency homes are managed by providers.

- **Finding a way to share sector-specific benchmark data between agencies and providers, while maintaining the anonymity of organisations sharing their information.**

- **Ensuring** that when benchmark data is shared beyond the sector — to help complete a picture of the energy efficiency of all homes across Australia — there’s no danger of the sector being "exposed" as having homes with the lowest energy ratings.

- **Data ownership agreements and guidelines** will be in place to govern data access and usage.

For more detail on this see Section 5: Disclosing ratings and related outputs, page 35.
Despite all that's been said, funding is THE issue to unlocking change in this sector

Without additional funding, energy efficiency home upgrades must compete for money that is available for other essential home upgrades that simply can't be put off. This includes replacing 40 year old carpets that are growing mould, fixing toilets and installing functional kitchens and bathrooms.

Most social housing organisations won't have budgets to pay for information on energy ratings, carbon/energy outputs, thermal performance and upgrade recommendations.

As such access to this information needs to be negligible or free.

Participants in this process expressed a keen interest in being able to access consolidated information on existing grants and funding they may be eligible for. Some providers may already have access to this via the Community Housing Industry Association (CHIA).

Opportunities may exist to use energy efficiency information to unlock capital from Government or third party finance providers, such as the Clean Energy Finance Corporation (CEFC), National Housing Finance and Investment Corporation (NHFIC) or social impact investors.

For more detail on this see Section 4.3: Supporting sector-wide progress, page 33.
1. What the sector needs

Social housing agencies and providers need energy efficiency information to perform a range of jobs to be done.
Agencies and providers want home energy ratings, information on thermal shell performance and improvement opportunities for properties they own and manage.

**INPUTS**

- **Property features** (e.g. gaps, windows, insulation) that feed into star ratings and related outputs

**USEFUL ENERGY OUTPUTS**

- **Star ratings** that indicate property energy performance could help agencies and providers.

- **Thermal shell performance** in hot and cold weather (e.g. megajoules or carbon per meter squared)

- **Footprint** Some agencies and providers also want estimated carbon and energy outputs.

- **Improvement opportunities** based on costs and benefits, or what can be done to get a star rating uplift.

*Note: Project participants expressed a desire for outputs to be comparable with NatHERS for new builds, to aid whole of portfolio decision making.*
Social housing agencies and providers need energy efficiency information on one or many homes to:

- Support efforts to improve tenant financial wellbeing, comfort and health
- Incorporate energy efficiency concepts into their strategy and reports, including through the definition of their portfolio baseline and monitoring against progress
- Incorporate energy efficiency upgrades into asset management planning and activities
- Strengthen funding applications for energy efficiency upgrades
- Make better decisions around property acquisitions and transfers
- Feed into new programs/initiatives that contain an energy efficiency element, including energy efficiency upgrades and tenant energy use education initiatives
- Assist compliance with future Residential Tenancies Act requirements
- Understand what's happening across the sector when it comes to energy efficiency
- Stimulate sector-wide conversations
- Feed into data collection, management systems and process reviews.
2. Sector-wide challenges

Challenges for agencies and providers in acquiring, using and disclosing energy information on existing residential properties.
2.1 Sector-wide challenges

Funding issues

- There are competing priorities for available funds, e.g. leaking roofs, broken windows, asbestos decontamination.
- Additional funding is limited e.g. from Treasury or capped rental rates.
- Many grants are set up to give money to property owners, however property managers (rather than owners) may actually be the ones responsible for making the required upgrades.
- Grants run out after a period of time, whereas no/low interest loans (that can be paid back from additional power a property may generate) leave the organisation with additional future funding.
- There's no one place that currently collates available sources of funding agencies or providers may be eligible for.
- Costs for upgrades are born by the agency or provider, but savings go to tenants via their energy bills: which means it's unlikely these savings can be used to help pay for energy efficiency upgrades.
- Even if tenants are able or willing to contribute towards energy efficiency upgrades, there are barriers which make it difficult to incorporate contributions they make. Further if a tenant moves out of a property, future tenants may be unwilling or unable to contribute.
- Many homes are remote, and access to services in these areas is limited which increases costs around collecting data and making upgrades.

Deciding on what to upgrade

- The concepts and language around energy efficiency are complex, and agency and provider staff are generally not energy efficiency experts.
- It is not easy to quantify and qualify ways in which agencies and providers will benefit, as well as benefits to tenants.
- There is a lack of baseline data that can be used to help agencies and providers understand how their properties compare to properties across Australia, and/or properties that are owned or managed by others in the sector.
- There is limited information around:
  - which interventions give “most bang for buck”
  - reputable suppliers/brands
  - what improvements/technologies will really make a difference in the immediate and long term.
  - potential pitfalls associated with emerging technologies
- It can be hard to ascertain overall costs of interventions, beyond purchasing equipment. For example costs to find and manage contractors, an install, maintain and upgrade equipment - particularly in remote or rural areas.
- In some portfolios, the average age of homes is 40 years. While these properties are likely to be relatively energy inefficient, there is currently a lack of information that would allow owners or operators to assess whether it's worth upgrading them or taking alternative action (e.g. selling or rebuilding).
2.1 Sector-wide challenges

Data access and privacy

- Existing information is not easy to gather. It may sit in various systems and could contain gaps.
- Incorporating energy efficiency data into existing systems will require resources.
- Agencies and providers could be left in a tricky place if their homes have low energy ratings but they don't have funding to make updates despite pressure they may face once information about their portfolios is released.
- Tenant privacy is a key consideration and must be protected when any data is shared.
- There are potential difficulties managing tenant expectations if ratings are disclosed.

Limited cross-sector collaboration

There is a lack of a common language, formalised knowledge sharing and consistent practices across the sector around energy efficiency.

This makes it difficult for agencies and providers to support and encourage each other through sharing:
- Stories around what they are doing
- Challenges and successes
- How they have managed to secure funding.

Consistency — between public housing and providers, states and territories, and across housing typologies — may be needed to create useful benchmarks, materials to attract funding, and other cross-sector support strategies.
Tenant support / interactions

- Tenants may prefer other upgrades.
- Some tenants don’t understand how they will benefit and may therefore not welcome an assessor or contractor who will inspect or make upgrades into their homes.
- Tenants may not know how to use technology that is installed.
- Tenants might compare what they have to others and this could cause issues.

Some of the comments are “I’d rather you do my kitchen or bathroom instead.”. There’s an education piece around the benefits.

There are equity issues around putting solar on one tenant’s property not anothers.

If we have a tenant who lives in a home with a poor rating, will there be come back on us because they might potentially pay more in bills?
3. Generating ratings & related outputs

Generating NatHERS equivalent star ratings, thermal shell performance, footprint, and improvement opportunities
Many (but not all) participants in this process currently have access to a range of data that could be used to generate star ratings, thermal shell performance, footprint, and improvement opportunities.

This includes ready access to data on:
- Construction date
- Post code
- Building type / class (house, apartment)
- Building material (e.g. brick, weatherboard)
- Fixed heating/cooling (year, model, stars)
- Hot water (year, model, stars)
- Energy efficiency upgrades (e.g. solar, insulation).

This opens up the possibility of feeding property data that is already available in organisations' current databases and systems into an accredited tool, producing NatHERS equivalent star ratings, in addition to "lite" information on the property's thermal shell performance, footprint and improvement opportunities.

Participants in this process felt this information could help them to better understand their portfolio (i.e. define an energy outputs / energy efficiency baseline) and start identifying opportunities for interventions.
Additional data enables stronger outputs

The sector sees benefits in collecting onsite information to get better outputs

Many like the idea of collecting extra data from home visits

Many would appreciate the opportunity to input extra data they collect over time – leveraging property visits/inspections – to strengthen the reliability of star ratings, thermal shell performance, footprint, and to get more useful improvement opportunities.

Benefits

Collecting additional data will enable the agencies and providers to get:

- A better understanding of the energy efficiency of homes across their portfolio
- More robust information to inform funding applications/business cases.

Some also say sending people out to homes to collect new types of standardised data could also act as a catalyst to improve data collection processes across the sector; improving the quality of all data that is subsequently collected.

Timing

Agencies/providers may decide to gather the data required:

- When there is a pressing need for the information (e.g., they are upgrading all fans), or
- Alongside other data that is collected as part of business as usual activities.

The timing of current data collection activities varies from organisation-to-organisation. This is dependent on their data collection policies and guidelines, which cover things like:

- frequency of collection
- whether they use staff or contractors
- collection from remote locations
- and tenant privacy considerations.

Regardless, it is expected most will have an opportunity to collect all of the information that’s required over the next 3 to 4 years.

If we have the star rating and list of improvements, then we would collate that and that will be our proof to collect additional information.

Important for messaging to communicate that we are transitioning to having better data on our portfolio.

Data will be more informed to put through a grant to support our properties upgrade.

We could collect additional data in our property condition assessments.

We already do safety inspections every year, and insurance inspections every 3 years.

We already pay for someone to go out to look at the property. We will train them to collect the extra data. It’s easy to do the extra 5-10 minutes for each property.
3.2 Additional data enables stronger outputs

There's a limit on the additional data that can be collected

While more work will be required to define property attributes needed to inform an energy rating and related information, the following is important from the point of view of social housing agencies and providers:

- The collection of extra data needs to have minimal impacts on existing data collection processes, time and costs.
- Data needs to be collected easily and safely. This may preclude collectors from punching holes in walls to assess insulation levels, crawling under homes or needing ladders to access roof spaces.

We need to know the minimum information that goes into a rating tool. We don't need to get everything and be exposed to risks. Getting into roofs, having to carry a ladder out, all of this comes at a cost. The biggest thing is accuracy of data and simplicity of what we're requesting of staff. Some data won't change. You don't need to collect it again.
3.2 Additional data enables stronger outputs
Existing processes and systems are leveraged

Many participants in this process have established data collection systems and processes in place that could be updated to collect energy efficiency property data. This will ensure familiarity and ease of use for building assessors and others collecting the required data.

Training

There is agreement that "lite" training will need to be provided to building assessors / inspectors to ensure the data that's collected is consistent and good quality. This is "lite" to recognise they will gather a limited amount of "must have" / quick to collect, easy and safe property data.

Some important training topics include:
- The purpose behind collecting additional data
- What data to collect - including clear data definitions, data consistency
- How to collect the data - including work, health and safety considerations.

This training could be:
- Delivered in a standard format - e.g. by the Community Housing Industry Association (CHIA) for Community Housing Providers, or
- Standardised materials could be provided to organisations wanting to tailor the content to take into account their own unique mix of processes and systems.

Factsheets conveying key messages covered in training could be shared with trainees, to reinforce learnings and help them when they are on site.

Given the nature of the information that's likely to be collected, there is general consensus that those collecting data won't need to be formally certified.

Personally I don't think certification will make much difference.
Data collection needs to be consistent for every inspection to be able to compare homes. Currently all providers do it differently depending on internal processes.
If this happens nationwide we'd need to look at basic training to gather the data.
Training on the tools you need, how are you going to do it and staying safe.
A checklist with the most important things to check first. They go through that in order, if they have more time they get down to the nuances.
3.2 Additional data enables stronger outputs

Existing processes and systems are leveraged (continued)

Many agencies and providers have data collection tools - such as apps and checklists - that could be updated to incorporate the collection of additional energy efficiency property data.

The app allows you to do the inspection, we’ll just update that.

We can’t send out contractors with a separate tool, that defeats the purpose of using our app.

We have combination of paper/app, we’re working to develop something better.

As long as we know what needs to be collected, we just write it into our system and give training.

Quality assurance process supported by evidence could be established, leveraging existing organisations’ guidelines and policies.

Go hard on the QA when you introduce anything.

We did that on heaters, we took photos of them when they are installed. These are used to compare against what’s reported.

It can happen that something doesn’t match, then you need to dive into the data.

We shadow those who are new to make sure everything is going OK and the information collected is as accurate as possible.
Additional data enables stronger outputs
Adding information to a tool to generate more robust information

Building assessors, and others collecting data, will need to put the additional property data that's collected into an accredited tool.

Ideally there will be a way to ensure the additional information can be easily transferred electronically - where it has been collected digitally - versus needing to be manually keyed in.

Once the data has been added to the tool, it will generate ratings, thermal performance, footprint and improvement opportunities that can be used by agencies and providers as required.
3.3 Limiting costs associated with generating ratings and outputs

Ensuring a fair exchange of data/information between tool providers and social housing providers and limiting costs associated with generating ratings and outputs will be key to the sector feeling supported to get on-board.

If, and how much, agencies and providers would be willing to pay depends on what benefits they get out of it.

However, any amount paid to generate outputs will limit the number of energy efficiency interventions for a sector that constantly operates under tight budgets.

- Honestly we’d probably say this should be a service provided by government. We are not funded for it.
- We just don’t have budget to pay. I’m concerned about the cost.
- If we had to pay to rate all 36,000 properties, that would be considered low priority.
- If I am going to make $5k selling the house, then yes, I’d get that done.
4. Using ratings & related outputs

Using energy outputs to inform decision making and raise funds for energy efficiency upgrades.
4.1 Accessing ratings and related Information

NatHERS equivalent ratings, and related outputs need to be easily accessible and in an appropriate format to meet organisations' needs.

Being able to **download energy information** relating to an agency or providers' portfolio is a must have.

APIs could also be used to deliver information depending on different organisations' appetites for this.

While most **don't need an energy rating certificate** containing information on individual properties, it could be useful in some circumstances - e.g. when properties are sold or purchased.

One organisation would like to share certificates with tenants.

I’d probably say looking at getting the data in raw form, looking towards APIs in the future.

Wouldn't share it with anybody else, unless we're going to sell it and then that would be good.

Useful if buying a house or taking on the management of a new house.
4.1 Accessing ratings and related Information

Many agencies and providers see **value in being able to use a dashboard to compare their properties/ portfolios** with other homes across Australia. Some felt this would help to:

- Help them compare their stock to other properties
- Inform their strategy and reporting needs
- Make a case for funding.

**Ideas on useful dashboard filters**

- Star ratings
- Rating date
- Property class e.g. house or apartment
- Postcode
- Climate
- Property attributes - e.g. hot water, heating/cooling, window type, insulation, etc...
- Intervention opportunities - e.g. solar, insulation, heat pump hot water, etc...

Great to compare with the rest of the state. Our Sustainability team would love that.

We get the minister saying our state is different. It would be great to have a national standard, and how we compare.

National information helps you compare apples with apples, if you are using the same rating tool and it's climate specific.

It would be good to be able to filter. The dashboard could default to your organisation when you log-in. Then you should be able to slice and dice.
4.2 Building knowledge and supporting sound decision making

Training

Practical training and guidance could be provided to staff to build their understanding and support decision making processes.

As with training for building assessors, training for staff needing to use the information that is generated could be:

- Delivered in a standard format - e.g. by CHIA for Community Housing Providers, or
- Standardised materials could be provided to organisations wanting to tailor the content to take into account their own unique mix of processes and systems.

Topics of interest include:

- Understanding energy efficiency and why it's important to the organisation/teams /tenants
- About NatHERS equivalent ratings and related outputs
- Understanding energy efficiency interventions - including costs and benefits
- How people in different roles can use the information
- Sharing protocols
- How to communicate and manage tenants, where the organisation decides to share the information.

Additional support

In addition to training, materials that could help staff build their understanding and support decision making processes include:

- Online videos
- Fact sheets
- A decision support tool (see Decision Matrix: Prototype, on the next slide)
- Access to relevant research (e.g. on benefits)
- An external help line for staff in case the organisations have queries.

Up skill staff so they understand what’s possible.

Using data is one thing, but would we also have a study or research to show benefits and what has been achieved after a couple of years?
### 4.2 Building knowledge and supporting sound decision making

#### Decision Matrix: Prototype

<table>
<thead>
<tr>
<th>Energy efficiency features</th>
<th>Description</th>
<th>Benefits to agencies or providers [Aim to quantify approx. benefits when possible]</th>
<th>Benefits to tenants [Aim to quantify approx. benefits when possible using occupancy assumptions]</th>
<th>Grants or other funding</th>
<th>Specifications/examples</th>
<th>Considerations and potential pitfalls</th>
<th>Typical costs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Solar Photovoltaic system</strong></td>
<td>Solar photovoltaic (also known as solar PV) converts sunlight directly into electricity. These systems generally consist of the following individual components: the solar PV array mounting, the solar PV panels and an inverter. Provide more affordable houses to tenants. Could trigger organisation savings, where energy is used to power common areas containing lifts, lights and other energy consuming appliances. Reduction of tenants energy bills of up to $400/year (based on a 3kW system). Improve the comfort of the homes if the tenants decide to use heating/cooling systems during the day. Under the Small-scale Renewable Energy Scheme, households and housing providers receive a discount on the installation of solar power systems of up to 100kW. <strong>Minimum 3kW for single dwellings.</strong> Technical specifications to take into consideration:  - All components should be new and of a high quality.  - Compliance with the Clean Energy Councils (CEC’s) Grid Connected Solar PV System guidelines.  - Compliance with Australian Standards.</td>
<td>Solar systems installation may trigger the following installation/upgrade:  - smart meter  - roof upgrade to support structure. Tenants education required to reduce any risk of energy over-consumption once the system is installed.</td>
<td>Unit costs:</td>
<td>Typical installation time:</td>
<td>Maintenance costs: (talk about who can fix, warranties etc.)</td>
<td>Opportunity costs: (what happens if you don’t invest)</td>
<td>Other: Approx. costs in regional / rural areas</td>
</tr>
<tr>
<td><strong>Hot water heat pump or solar hot water system</strong></td>
<td>A heat pump absorbs the heat from the surrounding air and use it to heat the water, which flows to a storage tank, ready for use. A solar water heater uses energy from the sun to heat water for the home. Solar panels on the roof collect energy from the sun’s rays to heat water which flows to a storage tank, ready for use.</td>
<td>[Insert relevant content here]</td>
<td>[Insert relevant content here]</td>
<td>[Insert relevant content here]</td>
<td>[Insert relevant content here]</td>
<td>Council noise regulations to take into consideration for heat pump system. The installation of the solar hot water system may trigger a roof upgrade to sustain the structure. More expensive than classic hot water systems - such as instantaneous gas or electric storage.</td>
<td>Unit costs:</td>
</tr>
</tbody>
</table>

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**Definitely, I want this information, I love it!**

**Practical guidance in a way where you see the cost benefits in terms of upfront capital and benefits to tenants - i.e. reduced heating or cooling costs or reduction in bill with solar - is useful.**

**It’s also a question of if we don’t do anything: what are the implications?**

**Additional information could be added, such as what rating might it give us, and how much might that increase the rating by?**

**Information on risks and costs (which could be region specific) is useful for Chief Financial Officers. Benefits to tenants is good for socially minded people.**

**Might be good for technical people trying to explain to decision makers in organisation.**

**It needs to be kept up to date!**
4.3 Supporting sector-wide progress

A national forum that supports interventions through shared learnings

The sector has shown keen interest in a national forum for government and non-government organisations to discuss and share ideas about energy efficiency in the context of their portfolio management. Noting that no one we spoke to is aware of anything like this operating currently.

This forum could play different roles including:
- Aiding decision making and stimulating cross-sector conversations - providing a space for social housing agencies and providers to come together (as they have done with this work) to share their experiences and learnings.
- Identifying opportunities for interventions as scale across multiple players, to deliver savings through economies of scale.
- Acting as an advisory committee to the Commonwealth Government to support the definition of standards and guidelines for the social housing sector.
- Identifying future collaboration opportunities, including with Governments. One example mentioned by a participant was the opportunity to research benefits and achievements across the sector after a couple of years.
- Providing one voice for the social housing sector - acknowledging that community housing providers have representative peak bodies, further consideration could be taken on how this could apply to public agencies.

Creating a forum of this nature is likely outside of the scope of NatHERS, but is a critical component in supporting change. One way forward is an sector-led approach that builds on work done by Community Housing peak bodies such as CHIA and PowerHousing, that also includes public agencies.
4.3 Supporting sector-wide progress

Using the information to unlock capital

For this sector, funding is THE issue. The reality is that, without additional funding, energy efficiency home upgrades must compete for money allocated for other essential home upgrades that simply can’t be put off. This includes replacing 40 year old carpets that are growing mould, fixing toilets and installing functional kitchens and bathrooms.

Those we spoke with expressed a keen interest in being able to access consolidated information on existing grants and funding they may be eligible for. This is something some providers may already have access to via CHIA.

Some examples of funding mechanisms and partnership opportunities the team came across during this consultation and that could be of interest to the sector include:

- The possibility of using energy efficiency information to unlock capital from Government or third party finance providers, such as National Housing Finance and Investment Corporation (NHFIC), the Clean Energy Finance Corporation (CEFC) or social impact investors.
- Scenarios where installing solar has led to savings on energy costs in common areas. For example, costs associated with retrofitting energy efficient lifts, lights, insulation, double glazing, etc..
- Partnerships between social housing agencies and virtual power plant (VPP) providers, that enable tenants to access cheaper power without requiring capital expenditure on solar and batteries from social housing organisations.
- Scenarios where tenants contribute to upgrades.

These could be driven by a collaborative approach involving multiple stakeholders from different sectors (such as government, social housing, health, finance, philanthropy...).
5. Disclosing ratings & related outputs

Property data and related outputs agencies and providers feel comfortable sharing on a central energy platform.
5.1 Considerations around voluntary disclosure

Risks
Pressure could be applied to social housing agencies and providers — from tenants, the media, opposition governments, the community and others — to upgrade properties if energy ratings and information is shared on a central portal and dwellings have poor energy performance.

While some say this pressure could be a good thing, as it may drive conditions that lead to more energy upgrades across the sector; there’s also agreement that where funding for energy upgrades cannot be obtained, this is likely to leave social housing organisations in a precarious position.

Approvals
Approvals for the disclosure of information on a central portal are likely to be made on an organisation-by-organisation basis by senior leaders.

Further, permission to share may need to be obtained from government, in instances where providers wish to voluntarily disclose information about properties they manage on behalf of an agency.
5.1 Considerations around voluntary disclosure

Voluntary disclosure incentives

Some social housing organisations may only want to disclose their information on a central portal if they are able to benefit - i.e. if disclosure leads to funding access or support to implement energy efficiency upgrades.

Benchmark considerations

Creating social housing benchmarks would allow agencies and providers to compare their properties to others in the sector; bearing in mind that more data will likely be shared and therefore available for these benchmarks if they do not identify which properties belong to individual agencies or providers.

Agencies and providers also see value in being able to compare their portfolios to the market in general. Seeing this as an additional point of leverage for attracting funding.
Desirable information access protocols

The following access protocols to share and access data on a central portal were co-designed with the sector during this initiative.

A. **Restrict access to information for individual properties**

Social housing property ratings and related information for specific properties can only be seen by:
- The property owner
- A provider managing a property owned by an agency where the provider initiates the rating or are negotiating to take on the property.

Agencies and providers must consent, prior to their information being shared.

<table>
<thead>
<tr>
<th>Thermal shell performance</th>
<th>Property features</th>
<th>Upgrade opportunities</th>
</tr>
</thead>
<tbody>
<tr>
<td>28 Lamb Street Balmain, NSW</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

If everyone can see the rating that's a risk.

Agree: particularly if the rating is really low.

CHPs are going to want to look at ratings and info if they are to take on a property from us.

Publicly available information could be sensitive if tenants were to access it.

We don't want to raise expectations.
B. Enable agencies & providers to view sector-specific benchmarks

Agencies and providers can view sector-specific benchmarks via a central portal where:

- These **preclude people identifying properties that belong to a specific agency or provider** - e.g. benchmarks that display information based on climate versus location.
- Benchmarks **provide aggregated sector-wide information** on things like ratings, energy outputs (e.g. estimated megajoules/square metre), carbon outputs, individual property features (e.g. heating/cooling, solar, insulation), and recommended upgrades.

**ALL AGGREGATED INFORMATION**

- Just share between social housing providers.
- It's not necessarily to see the data for other agencies property by property.
- You'd get into funding arguments with different orgs if they can see each others' data.
5.2 Desirable information access protocols

C. Add **aggregated information** to a central portal to help **complete a national picture of energy efficiency**

**Social housing property ratings and related information is aggregated with information from other properties on the Australian housing market**, to inform national benchmarks.

Note - where an agency or provider owns or manages the majority of homes in a suburb or local government area (LGA), the information on their properties will be aggregated with homes in other suburbs/LGAs so they cannot be singled out.

*If social housing data hidden (i.e. mixed with private), then yes happy to disclose.*

*There could be issues around respecting the tenants right to stay anonymous. You need to ensure you can’t identify them as living in social housing. High rise buildings in Fitzroy in Melbourne, are all social housing.*

*There could be a scenario where a lot of a suburb is social housing, in some places we own the whole town.*
Next steps
Next steps

Key insights and stakeholder feedback from this process will be shared with the Commonwealth and State Governments to inform their decision regarding policies on development of an energy ratings framework for existing homes and further investigation into a disclosure framework.

Pending decisions made by the jurisdictions, the NSW Government may re-engage with the social housing sector at a later stage to explore opportunities to continue working together, through pilot projects for example.
Thank you!
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