

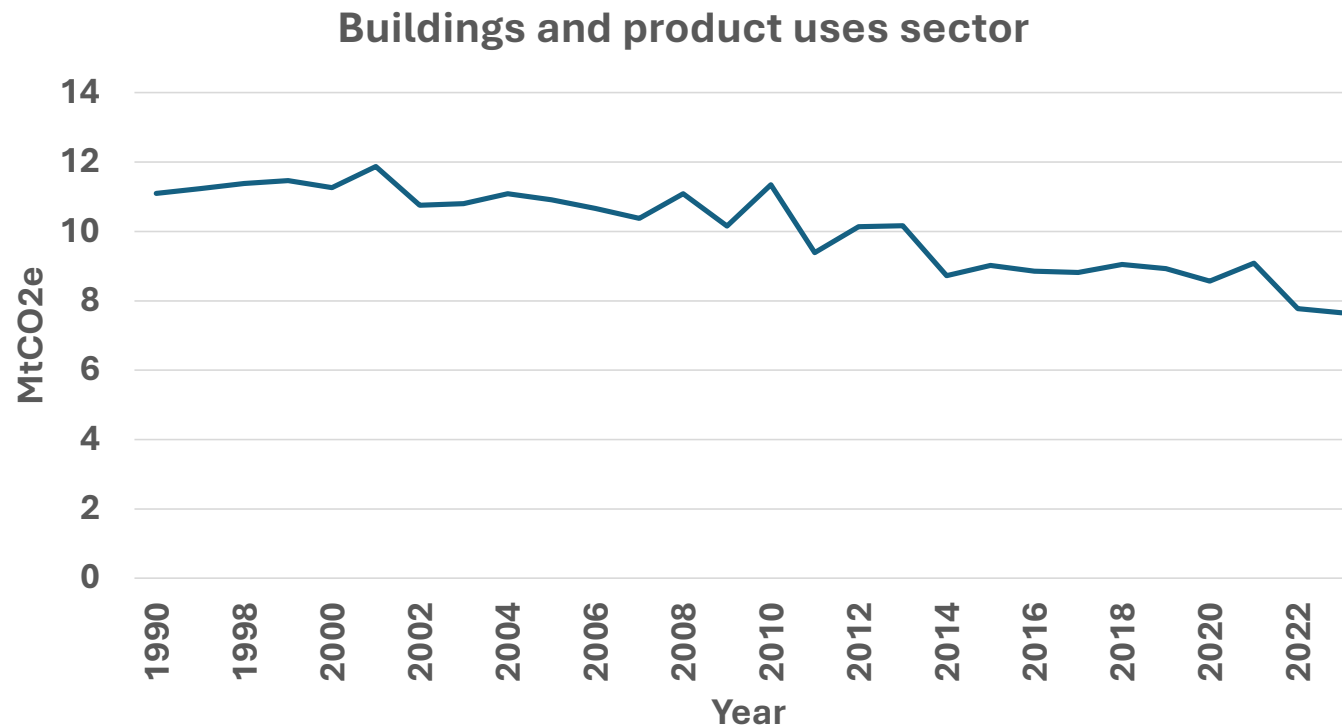
Heat in Buildings

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Heat Strategy and Policy



Heat in Buildings - Overview

- Approximately 20% of emissions from buildings.

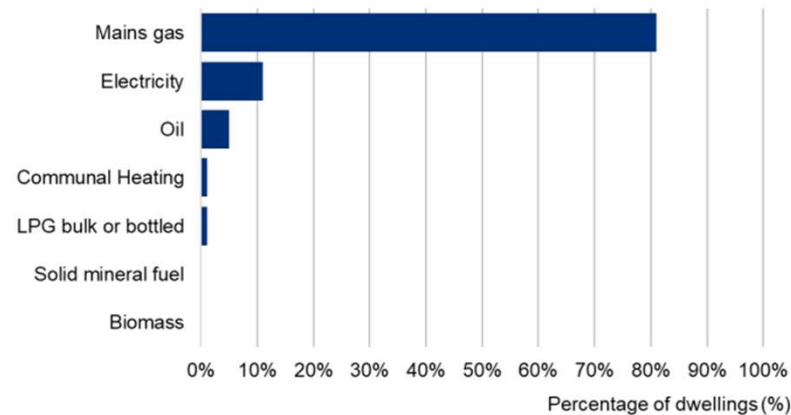


Heat in Buildings - Overview

- The majority of Scotland's buildings are heated by fossil fuels: over 80%

Mains gas is the most common heating fuel in Scotland.

Figure 1.7: Primary heating fuel, 2023



Heat in Buildings - Overview

- Energy Efficiency – 56% EPC Band C or better
- 34% of households in Scotland in fuel poverty

Strategic technologies



Energy efficiency



Heat pumps



**Low and zero emissions
heat networks**

Key challenges

- Costs of electricity / running costs
- High capital costs
- High proportion of flats
- Public attitudes & awareness
- Plan & organise

Heat in Buildings Programme

Delivery:

- £1.6bn commitment to 2025-6
- Support schemes
- Heat network investment
- Public engagement
- Supply chain and skills
- Future finance

Policy & regulation:

- Heat in Buildings Bill
- PRS MEES
- EPC reform



Domestic support		Business support	Communities & Public Sector	Multi-sector support	Registered Social landlords (RSL)
Home Energy Scotland Free independent advice and referral scheme.	Home Energy Scotland: Grant and Loan scheme Grants and loan funding for domestic owner occupiers to install heat pumps and energy efficiency measures.	Business Energy Scotland Free advice and support to SMEs for energy efficiency and heat decarbonisation.	Community and Renewable Energy Scheme (CARES) Advice and funding support for renewable energy.	Scotland's Heat Network Fund Open to all public and private sector organisations, supporting rollout of zero emissions heat networks.	Social Housing Net Zero Heat Fund Grants to RSLs & LAs for the retrofit of zero emissions heating systems and energy efficiency measures across their housing existing stock.
Area Based Schemes Fuel poverty scheme delivering energy efficiency, leveraging ECO and private investment. Particularly effective for mixed tenure multi-occupancy buildings.	Warmer Homes Scotland Fuel poverty scheme delivering heating improvements and energy efficiency.	SME Loan and Cashback Interest free loan and cashback for energy efficiency and renewable heat.	Green Public Sector Estate Decarbonisation Scheme Loan and grant funding for heat decarbonisation and energy efficiency improvement projects. Energy Performance Contract Framework for larger public sector projects.		

Budget & Finance



- £33bn estimate in 2021
- 25/26 Budget allocates £302m in capital
- Need to see private investment
- What are the opportunities:
 - Green / Retrofit Mortgages
 - Property Linked Finance
 - Place Based Financing?

Heat in Buildings Bill



Private rented sector: minimum energy efficiency standard

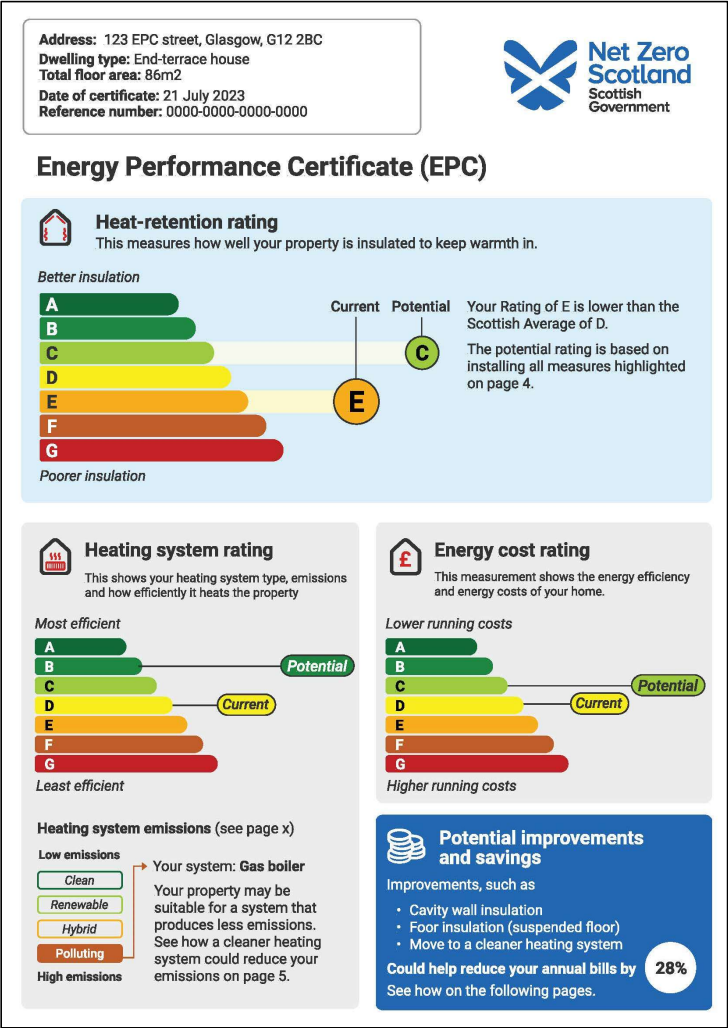
Consultation on Draft Energy Efficiency (Domestic Private Rented Property) (Scotland) Regulations

June 2025

 Scottish Government
Riaghaltas na h-Alba

- 44% of PRS in energy efficiency
- EPC C
- Consultation closes on 29 August

EPC Reform



Any Questions?

Get in touch:

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