

Holland, Teresa

From: Lisa McClymont [lmcclymo@cityofsydney.nsw.gov.au]
Sent: Monday, 12 September 2011 12:51 PM
To: DCCEE - Buildings
Cc: Chris Derksema
Subject: City of Sydney submission: Mandatory disclosure of residential building energy, greenhouse and water performance
Attachments: Submission for the Mandatory Disclosure of Residential Building Energy, Greenhouse and Water Performance.pdf; Cover letter - Mandatory Disclosure of Residential Building Energy, Greenhouse and Water Performance.pdf

To whom it may concern,

Please see attached the City's submission: Mandatory disclosure of residential building energy, greenhouse and water performance.

Yours sincerely,

Lisa McClymont | Executive Assistant to CEO
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12 September 2011

Our Ref: 2011/256211

**Residential Energy Efficiency Team
Buildings and Government Energy Efficiency Branch
Department of Climate Change and Energy Efficiency
By email buildings@climatechange.gov.au**

To Whom It May Concern,

Mandatory Disclosure of Residential Building Energy, Greenhouse and Water Performance

The City of Sydney welcomes the opportunity to comment on the Federal Government's proposed Mandatory Disclosure of Residential Building Energy, Greenhouse and Water Performance scheme.

The City broadly supports the proposed scheme with the following recommendations:

- The City supports a national rating and performance tool that is consistently implemented across the States and Territories.
- The City supports a scheme that is mandatory and regulated through relevant State and Territory legislation.
- The City supports the inclusion of energy, water and greenhouse emissions in the assessment.
- The City recommends the inclusion of social housing in the proposed scheme.
- The City recommends the disclosure of information about the environmental performance of apartment buildings in the assessment.
- The City urges that adequate resourcing and consideration be given to the implementation of an awareness raising campaign prior to the implementation of the scheme.
- The City recommends that adequate resourcing be given to developing and implementing education and support initiatives to assist residents to make better informed decisions about the environmental performance of residential dwellings.
- The City recommends that the final proposal include details of how the scheme will be monitored, evaluated and reported. Costing for this should also be considered in the final proposal.

City of Villages

If you have any questions regarding this submission, please do not hesitate to contact Chris Derksema, Sustainability Director on 9265 9333 or at cderksema@cityofsydney.nsw.gov.au .

Yours sincerely

A handwritten signature in black ink, appearing to read 'P.M. Barone', with a long horizontal flourish extending to the right.

Monica Barone
Chief Executive Officer



Submission on

Mandatory Disclosure of Residential Building Energy, Greenhouse and Water Performance

The City of Sydney

The City of Sydney covers a catchment of 26.15 square kilometres and takes in the commercial, financial and cultural hub of greater Sydney. The local government area comprises 180,000 residents and 385,000 jobs.

The City is committed to being an environmental leader. A number of guiding strategic plans and documents direct our sustainability and environmental initiatives, including our *Sustainable Sydney 2030 Vision* which has 10 targets and 186 actions under 10 strategic directions that we are progressively implementing to create a more sustainable future.

Of particular note is Target 1 and Action 2.4.4 of Sydney 2030:

Sustainable Sydney 2030 policy objective	
Target 1	By 2030, the City will reduce greenhouse gas emissions by 70 per cent compared to 2006 levels.
Action 2.4.4	Develop and implement education and support initiatives to assist residents, businesses, workers and visitors to reduce their environmental impacts.

The City's ambitious targets for emissions reduction were adopted following widespread consultation, resulting in significant community support for a vision of a sustainable future for Sydney.

Context

Residential dwellings are a significant part of the building stock in the City of Sydney, making up 31 percent of all buildings. It is estimated that residential living is responsible for 19 percent of the City's greenhouse gas emissions, 47 percent of water consumption and 19 percent of waste generation.

The proposed scheme will improve the information available to consumers on the environmental performance of residential properties. This will help to ensure that consumers are better prepared to manage the impacts of rising electricity prices and support improvements in energy and water efficiency over time.

The City broadly supports the proposed scheme with the following recommendations:

➤ **One national rating and performance tool**

The City supports a national rating and performance tool that is consistently implemented across the States and Territories. The tool should be sufficiently flexible to allow for regional customisation.

Further, the rating and performance tool should draw on learning's from the States and Territories as well as international best practice.

➤ **Mandatory scheme**

The City supports a scheme that is mandatory and regulated through relevant State and Territory legislation.

➤ **Scope**

The City supports the inclusion of energy, water and greenhouse emissions in the scheme as it offers a more comprehensive measurement of a buildings environmental performance than energy alone (as is the case for the mandatory disclosure of commercial building information).

The City also supports the mandatory disclosure of information at both point of sale and lease, with an emphasis placed on existing housing stock which accounts for the vast majority of overall housing stock in the City of Sydney. In NSW, regulatory mechanisms (such as BASIX) are in place to ensure the integration of sustainable design into new housing. The inclusion of new builds in the scheme is therefore not likely to have the same level of impact as the inclusion of existing housing.

➤ **Inclusion of social housing**

The City notes the exclusion of social housing from the proposed scheme. Social housing represents 8-10% of housing stock in the City of Sydney and a significant proportion of the overall national housing market. The City recommends consulting with Housing NSW on the feasibility and appropriateness of the proposed scheme and its impacts on social housing. Community acceptance of a scheme is more likely if government adopts the same mandatory disclosure requirements it is mandating for consumers.

➤ **Appropriately designed for apartment buildings**

The City notes the exclusion of apartment base buildings in the proposed scheme. Apartments are the dominant dwelling type in the Sydney Local Government Area. According to the ABS Census of Population and Housing, in 2006 there were almost 90,000 properties in the Sydney Local Government Area, 75% of these were apartments (ABS 2007).

Unlike single unit dwellings, apartments sit within a larger building framework which accounts for a significant proportion of energy and water consumption in the delivery of common services. These common services and amenities include hot water systems; heating, ventilation and air cooling (HVAC); car parks; pools and spas. To assess apartments in isolation from the actual building in which they sit negates the usefulness of the allocated environmental rating.

In addition, the majority of apartments do not have individual water meters. Owners pay for water consumption on the basis of their unit entitlement, not their actual consumption. Any financial benefit of water efficiency is therefore not directly passed on to the owner.

The financial benefit of water efficiency is also not passed on to tenants, as tenants don't receive water bills (under the Residential Tenancy Act, water bills can only be passed on to a tenant if there is an individual water meter for the property). This again emphasises the urgent need for individual water metering upgrades for apartment buildings.

Similarly, many of the energy and water efficiency measures that are included in the analysis of environmental performance (Table B.4) are beyond the control of individual apartment owners. This includes floor and ceiling insulation, double glazing, external blinds, window tinting, draught proofing and solar hot water. Individual owners can not implement these efficiency measures without the approval of the Owners Corporation. Including the apartment building in the assessment will provide a valuable opportunity to engage the Owners Corporation in decisions about improving the environmental performance of their building over time.

In light of this, the City recommends that the proposed scheme needs to address the environmental performance of apartment buildings, in addition to individual apartments. Support for Owners Corporations to increase the sustainability of their buildings is urgently needed and further consultation with representative strata organisations is recommended to effectively tailor the proposed scheme to this sector.

➤ **Awareness raising**

The City urges that adequate resourcing be given to the development and implementation of a national awareness raising campaign that clearly communicates to consumers why the scheme has been introduced, how it works and what are the long term financial and environmental benefits.

➤ **Educational support**

The City recommends that adequate resourcing be given to developing and implementing educational resources that will support residents to make better informed decisions about improving the environmental performance of their properties. Education should encourage and enable residents to act on the information provided by improving the environmental efficiency of their property. The provision of benchmarks for different dwelling types and case studies would also promote longer term lifestyle/behavioural changes.

The Federal Government should provide funding for this purpose, ensuring clear integration with existing programs delivered by the Federal, State and Territory governments.

➤ **Monitoring and evaluation**

The financial cost of the scheme is significant and therefore necessitates a robust monitoring and evaluation program. The City recommends that the final proposal include further details of how the scheme will be monitored and evaluated. Costing for this should be included in the proposal.