

Submission Template

Residential Buildings Mandatory Disclosure – Consultation Regulatory Impact Statement - July 2011

Overview

This submission template should be used to provide comments on Residential Building Mandatory Disclosure Consultation Regulatory Impact Statement (CRIS).

Contact Details

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Confidentiality

All submissions will be treated as public documents, unless the author of the submission clearly indicates the contrary by marking all or part of the submission as 'confidential'. Public submissions may be published in full on the Department of Climate Change and Energy Efficiency or other relevant Government websites, including any personal information of authors and/or other third parties contained in the submission. If any part of the submission should be treated as confidential then please provide two versions of the submission, one with the confidential information removed for publication.

A request made under the *Freedom of Information Act 1982* for access to a submission marked confidential will be determined in accordance with that Act.

Do you want this submission to be treated as confidential? Yes No

Submission Instructions

Submissions should be made by **close of business on 12 September 2011**. The Department reserves the right not to consider late submissions. Please restrict your submission to 4 pages of comments

Where possible, submissions should be lodged electronically, preferably in Microsoft Word or other text based formats, via the email address – residentialdisclosure@climatechange.gov.au

Submissions may alternatively be sent to the postal address below to arrive by the due date.

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General/overall comments

Housing SA has previously provided comment regarding the Mandatory Disclosure Stage 2 Draft Report through the Housing Ministers' Advisory Committee (HMAC) and appreciates that the view of HMAC has been incorporated in the separate social housing issue paper.

Housing SA's recommended position is that social housing should be excluded from a residential building mandatory disclosure scheme at time of lease. Social housing should be excluded because they have particular attributes as a sub-sector of the market and general market forces do not apply. Furthermore, mandatory disclosure would be a costly exercise and would require greater initial and ongoing resourcing than budgeted.

Housing SA proposes that Measure 3.3.4 – Auditing of public and community housing stock, would be an appropriate alternative for mandatory disclosure, given that it would provide energy efficiency information on social housing.

One objective of mandatory disclosure that Housing SA can assist in meeting is the provision of energy efficiency information to tenants. Recently, a Home Energy Audit brochure was mailed to Housing SA tenants (approximately 45,000 properties). The brochure was developed by the Department for Transport, Energy and Infrastructure. The brochure provided an easy to follow and comprehensive self energy audit, with helpful tips and recommendations.

Housing SA is actively working with energy retailers to implement the Residential Energy Efficiency Scheme (REES) with its tenants. REES will implement energy audits and make recommendations on ways to save energy and associated costs and will also provide energy and water efficiency measures, such as low-flow showerheads and compact fluorescent light globes.

Therefore, based on the above measures that have been implemented and are proposed to be implemented, Housing SA will cover the objectives of mandatory disclosure.

In relation to the energy rating tool, there needs to be consideration of the existing energy efficiency rating used within the community. The Building Code of Australia has over the years been gradually increasing the energy efficiency requirements for new construction. The industry and community at large has developed an understanding of that system and it seems logical and sensible that any disclosure of existing buildings should follow that same system.

Of significance, the Australian Building Codes Board has developed a set of deemed to satisfy conditions for each star rating from 3 to 6 stars. This means that the work has already been done in converting those star ratings into features that could be developed into a meaningful checklist that would be equivalent to a star rating.

In regards to the proposed options, Option 4 – checklist, has the least risk and uncertainty associated with it and the highest net present value in SA, WA and NT. Furthermore, this option is similar to the Qld Sustainability Declaration. In addition, when the sensitivity analysis in table 6.4 is examined, it is clear that Option 4 has the highest net present value overall. If this option is correctly set up to align with star ratings as suggested above, it will provide all the desired outcomes of a mandated disclosure.