

## SUBMISSIONS GUIDE AND TEMPLATE

### Regulation Impact Statement on Residential Building Mandatory Disclosure

#### **COAG principles of best practice regulation**

Residential Buildings Mandatory Disclosure is a Council of Australian Governments (COAG) proposal.

The COAG has agreed that all governments will ensure that regulatory processes in their jurisdiction are consistent with the principles of Best Practice Regulation. These principles are outlined below and apply to decisions of COAG, Ministerial Councils and intergovernmental standard-setting bodies (including bodies established by statute, or administratively by government, to deal with national regulatory problem).

#### **COAG PRINCIPLES OF BEST PRACTICE REGULATION**

COAG has agreed that all governments will ensure that regulatory processes in their jurisdiction are consistent with the following principles:

1. establishing a case for action before addressing a problem;
2. a range of feasible policy options must be considered, including self-regulatory, co-regulatory and non-regulatory approaches, and their benefits and costs assessed;
3. adopting the option that generates the greatest net benefit for the community;
4. in accordance with the Competition Principles Agreement, legislation should not restrict competition unless it can be demonstrated that:
  - a. the benefits of the restrictions to the community as a whole outweigh the costs, and
  - b. the objectives of the regulation can only be achieved by restricting competition
5. providing effective guidance to relevant regulators and regulated parties in order to ensure that the policy intent and expected compliance requirements of the regulation are clear;
6. ensuring that regulation remains relevant and effective over time;
7. consulting effectively with affected key stakeholders at all stages of the regulatory cycle; and
8. government action should be effective and proportional to the issue being addressed.

Source: COAG 2007.

---

The principles and assessment requirements apply to agreements or decisions to be given effect, whether at the Commonwealth or State/Territory level, or both, through principal and delegated legislation, administrative directions or other measures which, when implemented, would encourage or force businesses or individuals to pursue their interests in *material* ways they would not otherwise have done.

A Regulatory Impact Statement (RIS) is a central component of the COAG's regulation impact assessment process. It is a document prepared to assist with stakeholder consultation (COAG Principle 7).

The objective of any RIS is to formalise and provide evidence of the key steps taken during the development of a regulatory proposal, including an assessment of the costs and benefits of each option.

Consulting effectively with key stakeholders in the development of regulation is also a central part of the COAG Best Practice Principles.

## Consultation on Residential Building Mandatory Disclosure

The RIS for Residential Building Mandatory Disclosure has been released for public consultation and is available at <http://www.ret.gov.au/Documents/mce/quicklinks/bulletins.html>

Public consultation meetings will be held in the following cities during August 2011:

- Parramatta - 2nd August, 12.30pm, Mantra Parramatta, Corner Parkes St & Valentine Ave, Parramatta
- Sydney - 3rd August, 12.30pm, Grace Hotel Sydney CBD, Corner of York & King Streets, 77 York Street
- Hobart - 5th August, 12.30pm, Mercure Hobart, 156 Bathurst Street, Hobart
- Bunbury - 8th August, 12.30pm, Clifton Hotel Bunbury, Corner Clifton & Molloy Streets, Bunbury
- Perth - 9th August, 12.30pm, Comfort Inn Bel Eyre, 285 Great Eastern Highway, Belmont
- Adelaide - 10th August, 12.30pm Mercure Grosvenor Adelaide, 125 North Terrace, Adelaide
- Brisbane - 12th August, 12.30pm Brisbane Mercure, 85–87 North Quay, Brisbane
- Darwin - 15th August, 10.30am Travelodge Darwin, 64 Cavenagh Street, Darwin
- Canberra - 16th August, 12.30pm All Seasons Olim's Hotel Canberra, Corner of Ainslie & Limestone Ave, Braddon

For those in regional areas unable to attend metropolitan sessions, separate web based seminars will be available. The current schedule is available at <http://www.climatechange.gov.au/government/submissions.aspx>. To register your participation in an online meeting, please email your details, including your location, to [buildings@climatechange.gov.au](mailto:buildings@climatechange.gov.au).

## Making Written submissions

Comments can be made on any aspect of the Consultation RIS. Of particular importance is feedback from stakeholders and interested parties on:

- *The extent of the 'problem' in residential building energy, greenhouse and water performance.* That is, to what extent are there market failures, which present a barrier to improved energy, greenhouse and water performance of residential buildings in Australia? Has the problem been accurately represented in this RIS?
- *The adequacy of the options assessed in the Consultation RIS in addressing the problem* — are there any other feasible policy options that should also be considered in the assessment?
- *The assessment of costs and benefits of options:*
  - Does the assessment fully reflect all potential costs and benefits of the options assessed?
  - Are there costs to industry that have not been accounted for?
  - Are the costs of the energy and water efficiency measures included in the RIS reasonable?
  - Are the assumptions underlying the analysis valid/reasonable?
  - Are the take-up rates for the proportion of sellers and lessors that invest in upgrades to their properties in each scenario reasonable?
  - The impact of the HIP upon the penetration of roof insulation in the stock of Australian residential buildings.
- *Identified risks and uncertainties associated with each option.*

A **submissions template** follows. It is advisable but not essential that you use this template in framing your submission. Forward your submission:

- via email (preferred) to: residentialdisclosure@climatechange.gov.au OR
- via mail to: Residential Energy Efficiency Team  
Buildings and Government Energy Efficiency Branch  
Department of Climate Change and Energy Efficiency  
GPO Box 854  
Canberra ACT 2601

**Submissions should be received by 12 September 2011.**

Any general enquiries regarding the Mandatory disclosure of residential building energy, greenhouse and water performance initiative should be directed to [buildings@climatechange.gov.au](mailto:buildings@climatechange.gov.au).

## 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

<b>Name of Organisation:</b>	Eco-Fit Australia
<b>Name of Author:</b>	<b>Ross D Smith</b>
<b>Phone Number:</b>	0419669175
<b>Email:</b>	ross@eco-fit.com.au
<b>Website:</b>	www.eco-fit.com.au
<b>Date:</b>	26/8/11

#### 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](mailto:residentialdisclosure@climatechange.gov.au)

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

*Residential Energy Efficiency  
Department of Climate Change and Energy Efficiency  
GPO Box 854  
Canberra ACT 2601*

## Residential Buildings Mandatory Disclosure – Consultation Regulatory Impact Statement (CRIS)- July 2011

### General/overall comments

I base this feedback on having personally completed over 500 on-site, in-home, sustainability assessments. A thorough home assessment can easily take several hours with participation by the inhabitant to better inform the process. Add to this travel, training, reporting time etc for each assessment.

My main comment is that Residential Building Assessments should be taken away from the Real Estate stream. There are already a lot of forms etc for R/E agents to process and so they are not keen.

Appeal direct to the householder. Already a lot are doing things in this direction to save money, to become more environmentally friendly, or to make the house more liveable.

Possibly make an assessment voluntary, but make it meaningful, so that people demand it when they buy a house so they can be better informed.

On-site Assessment by a trained assessor is the best way to go to make it meaningful, and ideally with the input of recent inhabitants to describe house operation through the seasons. A thorough assessment needs to do a lot more than just consider electricity usage. It needs to also consider thermal operation and thermal mass, ventilation, shading, prevailing breezes, effective microclimate, insulation and running costs.

Returns from any solar power systems need to also be made clearer to potential purchasers.

Make an assessment remain valid for a set period of time (say 3 years).

Cost should be kept reasonable between \$300 to \$400 for an on-site assessment by a trained and accredited assessor. This way it has the best chance of being meaningful, and also for the assessment cost to be recovered by the householder within a reasonable timeframe (say 12 months).

C-RIS Section number: <i>[insert section number eg 3.1]</i>	Comments
