

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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Do you want this submission to be treated as confidential? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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. <i>Residential Energy Efficiency Department of Climate Change and Energy Efficiency GPO Box 854 Canberra ACT 2601</i>	

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General/overall comments

Option 2 – This is our preferred option with these recommendations.

- The Householder registers the assessment to be stored online for a fee. This fee is used to pay for auditing of assessors.
- The Assessment is not carried out by anyone with a vested interest in selling the house.
- The Real Estate Agent has to receive the Assessment before they can value the house.
- The Energy Efficiency Assessment result has to be prominently entered on all advertising material on- and off-line and the prospective buyer has to receive a hard copy as well as online access along with an interpretive chart which shows clearly and simply the likely on-going \$ savings from reduction in energy expenditure of each of the different ratings (Apparently in Canberra the potential housebuyer receives the Energy Rating independent of the Real Estate Agent.)
- The prospective buyer also receives recommendations for the most effective alterations to the house, three solutions, that would result in further \$ savings to the on-going running of the house and put the house in a higher energy rating.
- Assessors found to be wrongly recommending products over the value of say \$500.00 for which they receive kickbacks which are not the most cost-effective way of improving the house's energy rating may be fined and lose their licence.
- If the house's rating has been increased as the result of a recommended change (which costs over a certain value, say \$500.00) by the first assessor then the house must be reassessed by a different assessor in order to receive a higher rating(so as to prevent assessors profiting from kickbacks from wrongly advised products).
- An assessor recommending products must recommend three different solutions to any problem and must declare their additional remuneration for each.
- An advertising campaign that lasts at least a year promotes the dollar savings of an energy efficient house to prospective house buyers and educates about possible solutions detailing a hierarchy of cost-effective renovation (linked to the YOUR HOME web link as a non-biased information tool).
- Option 2 be implemented softly/slowly so that the public has enough time to come to terms with it(and also to get to grips with the logistics of such a huge program so that it doesn't hold up the sale of a house). Estimates are for about 100,000 houses to be sold in WA a year or about 2,000 a week.
- As the previous figures exclude rentals we suggest that rental assessment occur 12 months after the start of assessment of houses for sale so there is time to train the number of assessors required.
- The Assessment needs to educate the seller as well so that they understand better how their choosing an energy –efficient house will reduce energy running costs in the future.

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Submission from Alfiah Blond ablond@iinet.net.au 08 9470 1607

for West Australian Residential Energy Assessors

If **Option 4** is selected(not our preferred option) then we suggest this:

- We note the conflict of interest when a party with a vested interest carries out the assessment and do not recommend this.
- We recommend that there be a penalty to the householder for providing false information(that is greater than the potential benefit of supplying that false information)
- We recommend that The Householder Assessment be filed (with some Agency for a fee that can be used to pay for auditing results)) so that the data may be accessed later if required.
- We recommend that an independent arbitrator (an energy assessor) can check the householder's assessment before the sale of the house if the potential purchaser is happy to pay for it. The two assessments are highly unlikely to ever be exactly the same so suggest a % or margin, perhaps for the energy assessors assessment to be + or – 15% of the householders assessment would be acceptable.
- Option 3, online data capture, would be easier to manage and store the data. Charge a fee for upload which can be used to cover the cost of auditing assessments.