

Proposals for Improving the Energy Performance of Existing Non-Domestic Buildings

November 2008

Introduction

The Federation of Small Businesses is Scotland's largest direct-member business organisation, representing almost 20,000 members. The FSB campaigns for an economic and social environment which allows small businesses to prosper.

FSB Scotland welcomes this opportunity to comment on the above consultation as we believe that it could have significant implications for small businesses.

RIA

The Government is very clear in its ambition to reduce carbon emissions by 80% by 2050 in the document. The impact on small businesses however, is not at all clear. While we are grateful for the recognition in the document that a comprehensive impact assessment will need to be carried out at a later date, the lack of any form of detail as to how the Government supposes this will affect the SME community is to be regretted. It is therefore difficult for the FSB to formulate a comprehensive response at this stage as to how this will affect our members.

Cost

Many small businesses trade from older properties, which are difficult to heat and expensive to maintain. At this stage, and without more detailed information about how small businesses will be treated under this new legislation, we are concerned that in this difficult economic climate, this could be an unwelcome and unnecessary financial burden for small businesses to endure.

Small businesses play an important part in the economy of our local communities and they stand ready to play their part in helping the Government to meet its ambitious targets; but we remain to be convinced that expensive new pieces of regulation for small businesses to adhere to are the way to achieve this end.

Larger businesses are often more able to absorb the additional costs of such regulation and also have the administrative support to help compliance.

We would encourage the Scottish Government to consider in more detail the likely impact and costs on small businesses. This will allow consideration of whether these costs should be phased or whether some method to off-set the costs of this scheme (especially during this difficult economic period) for small businesses should be introduced.

Conclusion

The FSB welcomes the opportunity to submit these comments to the Scottish Government on this important consultation and we look forward to the publication of a more detailed explanation of how these regulations will affect small businesses; at which stage we will be happy to comment further on these proposals. At that stage, we will also be in a better position to discuss any implementation timescales.

For further information on any of the points raised in this submission, please contact Martyn McIntyre, Policy Officer, on martyn.mcintyre@fsb.org.uk or **0141 221 0775**.