Enabling the Renovation Wave

An Interreg Europe Policy Learning Platform event

23 May 2024
Vienna, Austria

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Summary: To meet our climate targets there is a significant need to increase the rate of renovation of Europe's buildings. The Renovation Wave Initiative aims to double the annual rate of renovation by 2050, but how can regions enable this? This workshop explored One-Stop-Shops and replicable approaches for large-scale renovation, as well as exploring how to overcome current barriers to renovations and how to aggregate renovation works. It also included a site visit to a newly renovated building to explore Vienna's efforts to cut gas use for heating. Participants represented the DETOCS, EXPRESS, Green4HEAT, JUSTGREEN, MonitorEE, NEBA, and ZEROCO2 projects.

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1. Highlights

As part of the European Green Deal, the European Union has raised its ambitions for reducing carbon emissions. This includes the revised Energy Performance of Buildings Directive (EPBD) which mandates energy performance certificates, sets requirements for nearly-zero energy buildings, and recommends the establishment of one-stop-shops for supporting renovations. It also obliges Member States to develop national long-term renovation strategies to decarbonise the building stock by 2050, as well as financial mechanisms to support renovation efforts.

This was followed by the Renovation Wave Strategy, aiming to double the annual energy renovation rate of buildings by 2030. It focuses on three key areas: tackling energy poverty and worst-performing buildings, public buildings and social infrastructure, and decarbonizing heating and cooling, which remains a significant challenge in comparison to the power sector. Building renovation is a key part of overcoming this challenge, as the heating and cooling sector is highly decentralised with buildings and apartments often having individual technologies. To speed up the transition, the European Commission is expected to soon release its Heat Pump Action Plan, to increase uptake of that technology, which is widely recognised as having large potential to replace gas boilers.

To reach Europe's targets, regions must consider how to **speed up the renovation rate**, as well as how to **aggregate activities** for maximum impact. Tools such as **one-stop-shops** and **replicable renovation models** will be key tools in doing so.

Discussion Sessions

Participants at the workshop, from the DETOCS, EXPRESS, Green4HEAT, JUSTGREEN, MonitorEE, NEBA, and ZEROCO2 projects, took part in discussions to consider how to speed up renovations, as well as how to aggregate actions to benefit from economies of scale:

Speeding up Renovations

Participants were asked to consider ways to speed up the renovation process. They identified the complexity of bureaucracy and planning processes, economic and political uncertainty, financial constraints, lack of continual support (e.g. subsidies), and challenges to accessing loans as key barriers.

A lack of urban heat planning and information about district heating planning also limits renovation and use of sustainable heat technologies. Participants also noticed the challenges of renovating rented households, where owners do not see the benefits for themselves of renovating buildings

Participants highlighted the importance of promoting successful case studies and examples of renovations to build confidence, as well as showing the negative side of not acting, including reduced property values or risk of missing out on available subsidies. Energy Savings Companies (ESCOs) and One-Stop-Shops were recognised as beneficial instruments, and authorities were encouraged also to streamline and simplify bureaucratic processes.

Aggregating Renovations

Participants also discussed the possibility of aggregating works to improve economies of scale. Buildings could be aggregated based on their age, common characteristics, types of interventions required, energy demand (targeting worst performers first), or common ownership (such as public housing owned by the municipality). Procurement of technologies could also be aggregated, as could efforts to access funding, particularly from private sources.

Aggregation could be enabled by simplifying the decision-making procedures in blocks of flats, by working with consortia of SMEs to deliver bundled services of benefit for all, by certifying professionals, reforming subsidy schemes, and by providing subsidies and awards from the city. District approaches were also recognised as being essential for tackling multiple buildings, renovating also public space and considering transport provision, in close consultation with citizens groups. Joint procurement of technologies, such as heat pumps and PV, was also encouraged. It was felt that training was needed for project managers and local authorities to be able to manage such large-scale approaches.

2. Good practices

One-Stop-Shops

One-Stop-Shops (OSS) are proven instruments for increasing the renovation rate of buildings, by providing advice and access to funding and expertise for homeowners to renovate their buildings. Three examples of One-Stop-Shops were presented at the workshop, which showed some trends for setting them up.

Hauskunft, **Vienna**

- Hauskunft is the One-Stop-Shop of Vienna, providing free of charge consultation and individual support to all types of homeowners from detached houses to apartment buildings and rental properties. The OSS was developed in the RenoBooster project as a new department of wohnfonds_wien, the Vienna Housing Fund. The OSS has a particular focus on thermal refurbishment of buildings, helping to implement Vienna's effort to phase out gas heating systems, a particular challenge given the city's predominance of decentralised systems.

Atnaujinkime miestą, Vilnius (NEBA**)**

- Atnaujinkime miestą ('Let's renew the city') is an OSS to improve multi-apartment buildings in Vilnius which provides administrative support to owners, as well as mobilising interest amongst apartment owners and negotiating amongst them to get renovation works going. Vilnius uses a mixture of carrots and sticks to speed up the renovation process by renovating the neighbouring public areas if buildings are renovated, while also removing heating subsidies from owners who refuse renovations.

AMELIO, Lille (Peer Review Beneficiary)

- In France, many renovation funders are available, with many types of subsidies and grants, making it a challenge for homeowners to find the best options for their circumstances. AMELIO acts as an assembler for the Metropole of Lille, helping home owners to identify renovation options and assist them in accessing finance. Acting as a single contact point, it provides neutral and free consulting and has a network of qualified companies to implement works. AMELIO is multi-disciplinary, with operators, thermal engineers, occupational therapists, social workers and jurists. Its toolbox includes counselling, supporting and financing the work projects. It targets the uses, the accommodation equipment and the building for short, middle range and long-term solutions.

Scaling-Up and Replication

To reach Europe's renovation targets, there is a need to significantly ramp up the level of renovation and number of buildings being tackled. Three examples of large-scale renovation approaches were presented at the workshop and revealed key messages for large-scale renovation.

Energy renovation of Soviet-era apartment blocks, Stadtroda

- Thuringia, Germany, still has a significant number of apartment buildings from the Soviet period, which were constructed according to standardised models. For Model WBS 70, built in the 70s, there are more than 6,000 identical buildings in the Land, and more than 18,000 across former East Germany. In 2021, a project was launched to explore how to renovate such buildings to be climate neutral. A pilot building was targeted for installation of PV, glazing of balconies, replacement of ventilation systems, and heat recovery from waste water from an innovative heat recovery system. The result was a climate neutral building which can be replicated quickly in similar buildings.

Coach CoPro & EnerSIG**, Paris** (MonitorEE)

- Paris has set a target to renovate 43,000 condominiums (1.2 million apartments) by 2050, requiring a significant increase in the renovation rate. Two tools have been developed to assist in this goal: Coach Copro and EnerSIG. The former, acts as an OSS dedicated to condominiums, informing homeowners on their options and assisting in access to finance, while the latter acts as an online data platform. EnerSIG maps buildings and land plots and provides data on energy consumption and renewable energy potential. The tool can be used to identify the worst performing buildings, find similar clusters of buildings, or understand the energy performance of an entire district for larger scale renovation projects.

Homes4All, Turin (NEBA**)**

- Homes4All aims to tackle Italy's housing issues by bringing unused housing assets back into use, helping to bring people back into healthy and affordable homes. The company acquires abandoned

and run-down buildings and renovates them to a high quality. At the same time, renovations aim to tackle social issues such as loneliness and isolation by encouraging multi-generational habitation, noting that efficiency alone is not enough – buildings should also have open, green and communal spaces.

Site Visit – Get out of gas

- The city of Vienna and their partner Urban Innovation Vienna and Wiener Sozialbau showed participants one of their pilot projects at Miesbachgasse 10. The social housing block was first insulated to reduce energy demand. To switch the heating from gas to a renewable energy, it was necessary to get rid of individual gas boilers in every flat and to create a centralised heating system based on heat pumps partially powered by PV on the roof. This was achieved in two-stages. First, the individual boilers were replaced by a central gas boiler placed in the attic. The pipes to the flats were laid through the existing individual disused chimneys, using existing conduits. In a second step, the gas boiler was replaced by a heat pump. The entire transition was cost-effective, minimally invasive and could be done in a few hours per flat.

3. Next steps

Key Messages & Recommendations

Drawing from the discussions and presentations, several key recommendations can be drawn for regions to implement.

One-Stop-Shops

- OSS should be simple to use, single contact points accompanying home owners through the entire renovation process, which may take many months. This includes accompanying the decision-taking process of home owners and housing associations, by attending meetings, providing advice and building majorities amongst the homeowners.
- OSS need to be proactive, going to building owners to meet them in a one-on-one approach, and not just waiting for them to come to the service. The OSS should invest in staff to consult home owners on technical matters, but also with social competence to facilitate the decision-making process.
- As demonstrated by Paris, cities need data as a starting point – knowing the status quo of the building stock, ownership structure, age of buildings, and type of current heating solutions can help to identify areas where intervention is most required. If possible, this data should be made publicly available for all related stakeholders and professionals.
- As done in Vienna, OSS must create networks of professionals and build good connections with the city authorities, permitting bodies, building sector professionals, but also act as a neutral broker. Ideally, it will be public-funded to ensure it is perceived as neutral and trustworthy.
- As in Vilnius, cities and regions need to work with carrots and sticks, both rewarding those who act and punishing those who do not.

Scaling-Up and Replication

- Public support should be concentrated on replicable renovation models to achieve scale. The focus in the past was on single-family houses and public buildings as these were relatively easy to tackle

due to their ownership structure. A good starting point is to focus on condominiums with many flats – this is where critical mass can be achieved despite additional challenges related to fragmentation in ownership.
- Technical solutions for similar types of buildings are particularly replicable, as the case of Thuringia is showing where buildings with the same characteristics can follow the same model.
- The OSS approach itself needs to be scaled up to tackle more buildings at once. To this end, they must increase their staff, enlarge the networks of renovation professionals, improve outreach activities and overall mobilise all stakeholders.
- Data integration from different sources allows for identifying buildings with similar characteristics; this can allow replication of renovation pathways across similar buildings.

Further Resources from the Interreg Europe Policy Learning Platform

Policy Briefs

- Supporting energy renovation of households through One-Stop-Shops
- Tackling energy poverty with low-carbon interventions
- Skills for the energy transition
- Funding energy efficiency through Financial Instruments

Webinars

- Smart Energy Management
- District approaches to sustainable energy
- Jobs and skills for the energy transition
- Green transition under the European Recovery and Resilience Facility
- Improving energy performance in social housing

Peer Review & Matchmaking Reports

- The absorption of structural funds for energy efficiency – Hauts-de-France Region, France
- Energy Efficiency: skills and programmes for SMEs – Region of Wester Macedonia, Greece
- Financing and incentivising energy renovation of condominiums – Métropole Européenne de Lille, France
- Reducing the carbon footprint of buildings – Partnership of Latvian Constructors
- Supporting reuse of boilers in private housing – Province of East Flanders, Belgium
- How to support positive energy districts and district level deep renovations? – Energy Cities

Vienna, Austria – 23 May 2024

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