Next Steps to Zero Carbon Homes

CIBSE response to the Consultation Document

Introduction

This paper is submitted by the Chartered Institution of Building Services Engineers (CIBSE) in response to the Department for Communities and Local Government consultation on the proposed small sites exemption issued in November 2014.

This response has been developed with input from members of the CIBSE Homes for the Future Group who met in December and discussed the proposed changes. It was agreed that the most appropriate form of response for the Institution is in the form of this paper rather than the online response form, as we consider that there are important issues to be considered that are not directly addressed in the consultation document.

The Chartered Institution of Building Services Engineers is the professional engineering body that exists to:

> *'support the Science, Art and Practice of building services engineering, by providing our members and the public with first class information and education services'*

For further information about the Institution, please see Appendix 1 to this response.

CIBSE understands that the consultation document takes the position that there should be a small sites exemption, and is only consulting on the form of exemption. After detailed discussion of this, CIBSE has observations on the principle of an exemption, and we have included these in our response. CIBSE considers that there are technical and market implications from the decision which need to be clearly set out. It is understood that Ministers may be minded to offer an exemption, but that does not remove the responsibility for respondents who have a role to promote public benefit to offer a full response to the issues covered by these proposals.

Should there be an exemption to the policy?

CIBSE does not believe that small sites should receive an exemption from the zero carbon homes policy. There are a number of reasons for this. Homes are long life assets, and once they have been built to a lower standard then that low standard is locked in for the life of the asset, unless potentially expensive upgrades are undertaken. This is an extremely inefficient way of working, it is poor system engineering, and it is at odds with the government's own drive to improve resource efficiency and to obtain better whole life value as well as reduced carbon impacts from built environment assets.

The small sites exemption is at odds with the government's own construction strategy, which aims to reduce cost, resource inputs and carbon dramatically by 2025.

There is no effective way of showing that the exemption will benefit smaller house builders and the NHBC study referenced in the consultation states that the real issue is the availability of small sites (point 12). In previous reviews of Part L the major concern from housebuilders developing smaller sites has been clarity of expression of what they have to do, not a less stringent but arguably equally complex requirement, which is what the small sites exemption offers them.

CIBSE understands that with the introduction of whole building calculation under Articles 3-6 of the Energy Performance of Buildings Directive in 2006 government had to move away from an elemental, deemed to satisfy approach.

However, there has been a consistent call for model solutions that enable smaller housebuilding businesses to more easily, cost effectively and quickly understand the requirements and how they can meet them. CIBSE proposes that what is needed for smaller sites and housebuilders is simple guidance on how to comply with the requirements, not lower standards.

CIBSE does not agree that there is a simple case for an exemption for small sites. The risks of an exemption being abused are significant (point 15), loopholes will always be exploited and the policy overall will be weakened. It is likely that plots that might have provided a dozen or fifteen smaller units will be replanned to offer fewer units and benefit from the exemption. This will not help to increase housing supply for those needing smaller units.

There are many single plots that are developed as “luxury” homes, for which there can be no justifiable reason for saving a few hundred pounds through a lower standard of energy efficiency.

The exemption would potentially apply to 21% of homes (point 38) so a fifth of our new homes over the next five years or more will not be meeting national carbon aspirations.

The exemption will also impose long term penalties on consumers in the form of higher energy bills to heat the exempt properties, although paragraph 3 of the consultation says that the government “wants to reduce energy bills for hard working families”. We should focus on building efficient, sustainable homes with the lowest possible life cycle costs for all.

The proposed exemption creates two tiers of Regulation. but this could lead two standards of housing being built, as acknowledged in paragraph 30. This is ironic given the enormous efforts being undertaken right now to rationalise and streamline housing standards, and to eliminate variations in standards.

Finally, CIBSE argues that the regulations should be kept as simple as possible to reduce administrative burdens, rather than adding another layer of complication in the form of exemptions. At the margins, for plots which could be developed as “small sites” or as larger sites, there is huge potential for gaming, for arguments with planners, who might want to argue for more units, tipping the development from being exempt, and it introduces a significant additional variable when calculating site viability. CIBSE considers that it is hard to make the case that the proposed exemption offers better or smarter regulation.

Finally, the exemption will lead to market distortions. How will consumers know for sure to which standard a new home has been built? How will this affect pricing or market valuations? If the argument is that it will not affect prices to consumers, because the savings will be retained by the developers of small sites, then this is either a subsidy or a tax, and is hard to justify in either guise.

In conclusion, CIBSE firmly believes that the proposed exemption will create significant long term disbenefits that far outweigh any short term advantages, and that the policy is in conflict with the long term goals of the government’s construction strategy.

Responses to the questions
Question 1 – should the exemption be targeted at site size, developer size, or a combination of both? Is there any evidence to support the choice made?

CIBSE does not believe that there should be an exemption, for the reasons outlined above. If there is to be an exemption, then should the value of the proposed property be taken into account as well? There is no justification for exempting larger developers, either.

Question 2– if the Government chose a site size exemption, what level should this be set and why?

At whatever level it is set it will create double standards, and gaming around the margins.

Question 3 – if the Government chose a developer size exemption, what criteria should it apply and why?

CIBSE does not have the data on which to base a response, and our overall concerns apply.

Question 4 – What do you think the scope of the exemption should cover? An exemption for the allowable solutions scheme only, or an additional exemption from Building Regulations requirements? Do you have any evidence to support the choice between these options?

For the reasons set out above, the creation of a two-tiered approach to Building Regulations is unhelpful and completely at odds with the principles of the Housing Standards Review.

Question 5 – What are your views on the proposed review period for the exemption?

CIBSE does not support an exemption, and given the requirements of the Energy Performance of Buildings Directive it will have to be withdrawn by 2021 under any circumstances. (Subject of course to future decisions about the UK's relationship with the European Union).

Question 6 Do you have any further evidence that would help inform the impact assessment?

We have nothing further to add to the response above.

Appendix 1

About the Chartered Institution of Building Services Engineers

The Chartered Institution of Building Services Engineers (CIBSE) is the primary professional body for the engineers who design, install and operate the energy using systems, both mechanical and electrical, which are used in buildings. Our members therefore have a pervasive involvement in the use of electricity (and other energy carriers) in buildings in the UK.

CIBSE is one of the leading global professional organisations for building performance related knowledge and a pioneer in responding to the threat of climate change. It publishes numerous Professional Guides and other titles setting out best practice in support of the industry.

The Institution is the primary source of professional guidance for the building services sector on the design and installation of energy efficient building services systems to deliver healthy and effective building performance. CIBSE publishes Guidance and Codes which provide best practice advice and are internationally recognised as authoritative.

The CIBSE Knowledge Portal, which makes our Guidance available online to all CIBSE members globally, is the leading systematic engineering resource for the building services sector. Over the last year it has been accessed over 100,000 times, and is used regularly by our members to access the latest guidance material for the profession. Currently we have users in over 160 countries worldwide, demonstrating the world leading position of UK engineering expertise in this field.

CIBSE began to develop codes specifically intended to reduce energy consumption in the early 1980s, in response to the energy crises of that time. CIBSE is now at the forefront of efforts to reduce carbon emissions from our building stock.

In addition to the production of technical standards and guidance CIBSE provides professional development training for system designers and installers, covering design, installation, commissioning and system maintenance. CIBSE is also actively engaged in the gathering of performance data to help inform good practice and compliance with existing requirements.