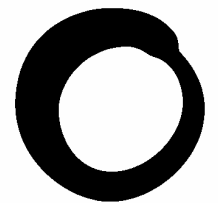


Delivering Sustainable Housing

MPs BRIEFING



**Friends of
the Earth**

Summary

The government has a major opportunity to secure a step change in the environmental performance of housing by reducing greenhouse gas emissions and delivering low carbon and sustainable communities. This will be essential for economic as well as environmental reasons. However, the recent announcement by ODPM on the Code for Sustainable Homes and PPS 3 (Housing) is a major missed opportunity. We are extremely disappointed that:

- The scope of Code has been reduced from all buildings to only new domestic dwellings
- The Code remains voluntary for all private sector housing
- That PPS 3 (Housing) provides only the weakest incentive to Local Authorities to 'encourage' the use of the Code and then only on large strategic sites.

We also believe that the reason the Code is currently so weak is because of fears about economic costs of further action. In this briefing we set out reasons why these fears are misplaced, and why a stronger Code is good for the economy.

Climate Change emissions

Sustainability assessments show the forecast house-building in England is likely to lead to substantial emissions of carbon dioxide, the principal greenhouse gas¹. Current plans suggest that creating the materials and constructing 2.8 million new homes by 2016 will release 142.9 million tonnes of carbon dioxide. In addition, over a 15 year period an additional 50 million tonnes of carbon dioxide will be released due to energy use in the home¹. This equates to around 12 million tonnes of carbon dioxide emissions each year, which is equivalent to ten per cent of current transport emissions². If higher house building scenarios are followed then emissions would increase by a further 60 million tonnes more over a 15 year period¹.

Yet the assessment commissioned by ODPM does not compare the emissions caused by new house-building with those from alternative strategies, despite admitting that '*reusing entire buildings by retrofitting them, reduces the total amount of embodied energy*' and therefore the emissions from new construction³. A previous assessment carried out in 2004 failed to make this comparison either⁴.

Changes to the Code

1.1 Implementation of the Code

Currently the Code is voluntary for private sector development, and so no matter what the standards within it, there is no guarantee that house-builders or anyone else will pay adequate attention to it. The planning system is one of the most important mechanisms for securing low carbon development by enshrining Code standards into the development plan system. This can be achieved simply, via amendments to Paragraph 39 of the Consultation paper on PPS3:

- **replace the word 'encourage' with 'require' in both instances**
- **remove the text 'for strategic sites that deliver a large number of new homes' and replace with 'for all developments'**

¹ ENTEC 2005 "A sustainability impact assessment of additional housing scenarios in England" ODPM

² Baggott S, Brown L, Milne R, Murrells T 2005 "Greenhouse gas inventories for England, Scotland, Wales and Northern Ireland (1990-2003)

Appendix 2, p. 24 <http://www.naei.org.uk/reports.php>

³ ENTEC 2005 "A sustainability impact assessment of additional housing scenarios in England" ODPM p. 91

⁴ ENTEC UK, with Richard Hodkinson Consultancy and Economics for the Environment Consultancy 2004 "Study into the environmental impacts of increasing the supply of housing in the UK" <http://www.defra.gov.uk/news/latest/2004/housingreport-020504.htm>

These amendments would have the additional benefits of creating certainty for business and investors by making clear the general regulatory framework for sustainable construction. This would correct the current position where some Local Authorities require measures such as micro-generation on new developments and some do not.

1.2 Standards within the Code

The minimum standards within the Code are entirely inadequate, particularly regarding climate change. For energy use, the Code minimum standard does not even go beyond the new building regulations despite the fact that far greater efficiency is technically possible. The sustainability assessment commissioned by ODPM suggests that emissions from energy use in new homes could be cut by 17 per cent if they were all built to the EcoHomes 'excellent' standard, as compared to current building regulations⁵.

The current Code proposals will lock us into carbon intensive lifestyles, when far higher standards are possible. It is particularly important to achieve these standards now given the opportunity of the planned large scale expansion of housing development. Retrofitting these new homes would be significantly more expensive than designing efficient homes from the start.

We advocate that **the minimum standard for energy use should be the BREEAM EcoHomes 'Excellent' standard**. We welcome the Code's recognition that a 5 star rating should be awarded to homes meeting carbon-neutral standards – the Code should be ratcheted up quickly in future years, so that by 2010, all new homes meet this standard.

Economic effects go beyond the housing sector

1.3 Economic reasons for a stronger code

It is important to look at the costs and benefits beyond the housing sector. Housing accounts for around a third of the UK's carbon emissions. If we don't prevent dangerous climate change there will be massive economic costs. In recent years we have seen hundreds of billions of pounds of damage from Hurricane Katrina and tens of billions for drought and floods in Europe. We are not immune in Britain – floods in Carlisle, Boscastle, and York have had major social and economic costs. Climate change will cause more severe climate disasters and much greater damage to communities and economies. It will also be the poorest who will be hit hardest – they are least able to protect their property and are less likely to be insured. Climate change will also affect the economy in other ways – for example increased spending needed to build flood defences and protect coastlines: all diverting spending away from other priorities. Action on housing is urgently needed to prevent economic damage from climate change.

▪ Economic costs of building better designed housing

Although better designed housing can cost more, this is a small percentage of total costs and as more green homes get built, the unit cost will fall. Merton local authority puts green design at just 2.5% onto building costs⁶. The architects and builders at BedZed estimate that at just 3% of new developments, the unit costs would fall to the same as conventional development.

▪ Economic benefits of building better designed housing

Better designed and more efficient homes have greatly reduced running costs – a major benefit particularly for lower income households who spend a greater percentage of their income on electricity, heating and water. In the first year of the BedZed development in London, running costs were almost £500 a year lower than the average UK home – savings of £80 on electricity, £225 on heating and £170 on water⁷.

⁵ ENTEC 2005 "A sustainability impact assessment of additional housing scenarios in England" ODPM p. 98

⁶ Adrian Hewitt's presentation to the Welsh Assembly, 7 December 2005

⁷ Achieving sustainable communities – the ZED challenge. <http://www.zedstandards.com/>