



Can we afford to be green?

Neil May says that we need to grapple with macro-economics if we are to understand why building performance is so poor in the UK.

'In the current economic climate' – it's a phrase used as a passport to rip up any commitment to do anything you've promised, because of the additional financial burden it will put on someone or some organisation *in the current economic climate*. It's something we hear in the building industry in particularly in relation to green measures.

This is partly because green measures are perceived to be expensive add-on luxuries and partly because of the inherent laziness and conservatism of our sector. As Homer Simpson says "If you don't try, then you can't fail". Of course there is a lot of green bling around which is oversold and often environmentally damaging, and has often been promoted by gullible or deluded Government policies (such as the Code for Sustainable Homes, the Green Guide to Specification, and the Feed-in Tariffs). So it is a good thing if these things are reduced or dropped. However true green building is not bling and is vital to our economic as well as our environmental and social future.

True green building is about building efficient, low impact, healthy, durable and usable buildings within a sociable and beautiful built environment. If we cannot afford this, then there is something deeply wrong with our society. The fact that so many projects start with good aims and are utterly undermined by so-called "value engineering" or by negotiations with for-profit private companies is a national shame.

A recession is a good time to take stock and try to understand why things go wrong. We need to consider why it is that very few people, even after all these years, are really interested in how a building performs or what effect it has on the environment or society. A major reason for this is the financial system in which the built environment operates. As made clear by Positive Money (<http://www.positivemoney.org.uk/house-prices/>) and work by the New Economics Foundation, the banks have created 97% of all the money currently in the UK and speculated about 70% of this in

PO Box 32, Llandysul SA44 5ZA · Tel: 0845 456 9772 · Web: www.aecb.net

Company Registration No: 5336768 · VAT No. 736 570616.
Registered Name and Address: Association for Environment Conscious Building,
30 Linden Road, Earby, Barnoldswick, Lancashire BB18 6XR

property, thereby massively inflating land values and making the performance of buildings almost irrelevant to their sales value. It is for this reason that the private house builders in the UK dismissively call the build process “the bit in the middle”, as it is almost irrelevant to their stock market or private value, which is based upon their land bank. The speculation by banks in housing was, of course, the cause of the current economic crisis (starting with the sub-prime crisis in the US) and is still 80% of the £1.5 trillion total of personal debt in the UK. I think it is possible to argue that the adversarial and fragmentary tendering and contracting system in the UK is also mainly a result of this debt-based financial system, which has no interest in building performance or long term value but only in immediate lowest cost.

So if someone says to you that they cannot afford to build green “in the current economic climate”, you should ask them what climate they need to build truly green homes and whether in fact it was building bad homes in a bad way that has not caused this economic crisis in the first place.

© 2012: Neil May and AECB

Neil May is CEO of Natural Building Technologies (NBT) which he founded in 1999. NBT (www.natural-building.co.uk) develops and sells high performance sustainable building envelope systems for mainstream construction in the UK. He is also a director of the Good Homes Alliance and the Alliance for Sustainable Building Products, and an Honorary Senior Researcher at UCL Energy Institute.

PO Box 32, Llandysul SA44 5ZA · Tel: 0845 456 9772 · Web: www.aecb.net

Company Registration No: 5336768 · VAT No. 736 570616.
Registered Name and Address: Association for Environment Conscious Building,
30 Linden Road, Earby, Barnoldswick, Lancashire BB18 6XR