



SUSTAINABLE HOMES
research • accreditation • consultancy

Delivering Affordable and Sustainable Homes in a Changing Policy Environment

AECB National Conference | 15 September 2017

Bevan Jones | Sustainable Homes

for every home
to encourage
MORE
SUSTAINABLE
LIVES

About Sustainable Homes



Sustainable Homes is a not-for-profit organisation working across the housing sector to improve sustainability. We work with housing providers, the supply chain and government.

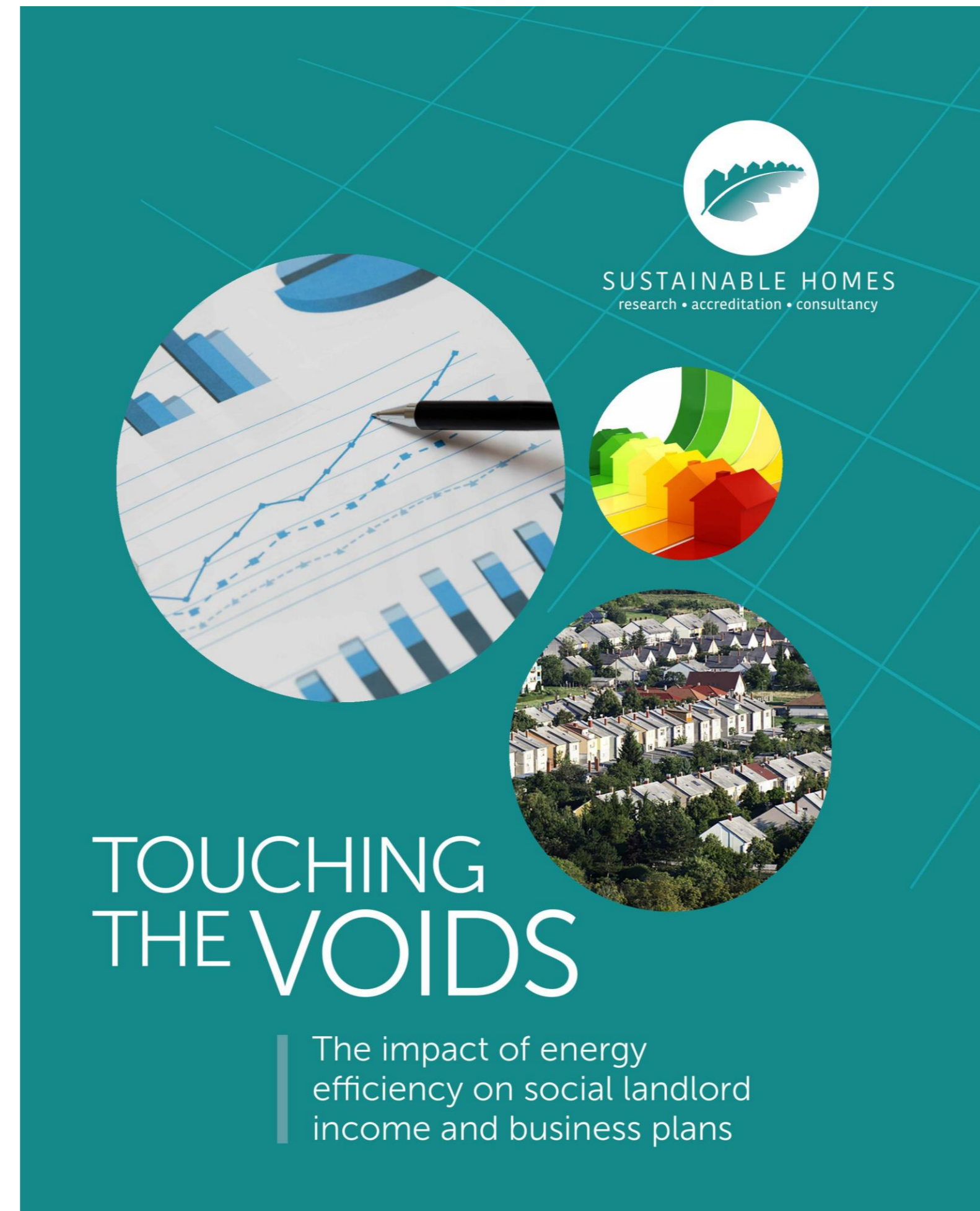
- **Research** – high impact research on sustainability and housing topics
- **Accreditation** – we run SHIFT, the sustainability standard for housing
- **Consultancy** – provide bespoke consultancy in a range of areas including post occupancy evaluation, strategy and climate action



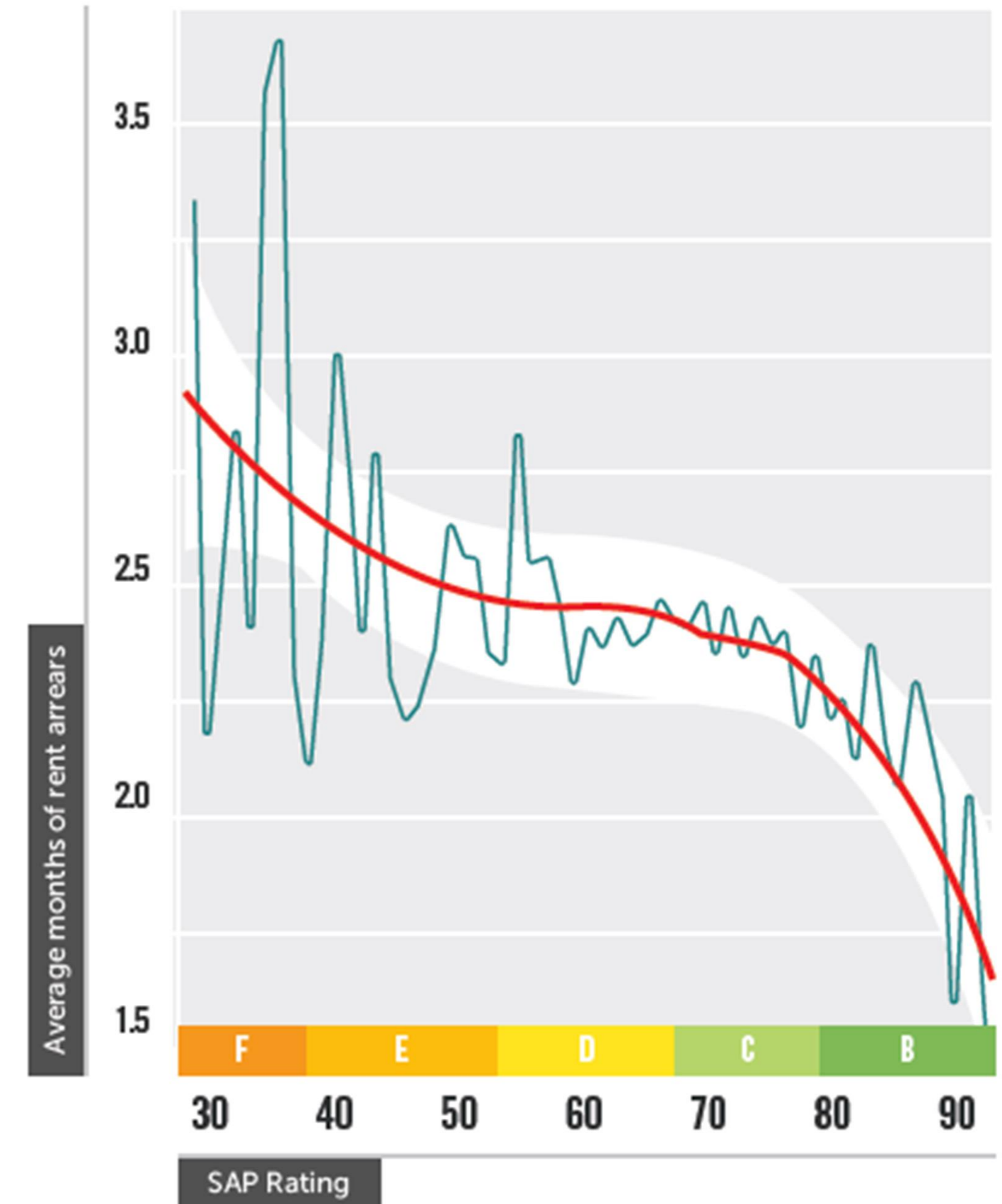
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What we do



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Definition of a (housing) crisis



a time of intense difficulty or danger

a time when a difficult or important decision must be made

the turning point of a disease when an important change takes place, indicating either recovery or death

What are the issues around affordability and sustainability?



- Quantity over quality
- Inefficiency and conservatism
- Perceived 'cost' of sustainability; lack of standards
- Policy impasse
- Developer rather than user driven housing market
- Lack of joined up central policies – energy, climate change, flooding, housing, transport

Nuances

- Social landlords are becoming multi-tenure landlords (MTL) and service providers
- MTL's have a build and manage model not a build and leave model



What are the issues around affordability and sustainability?



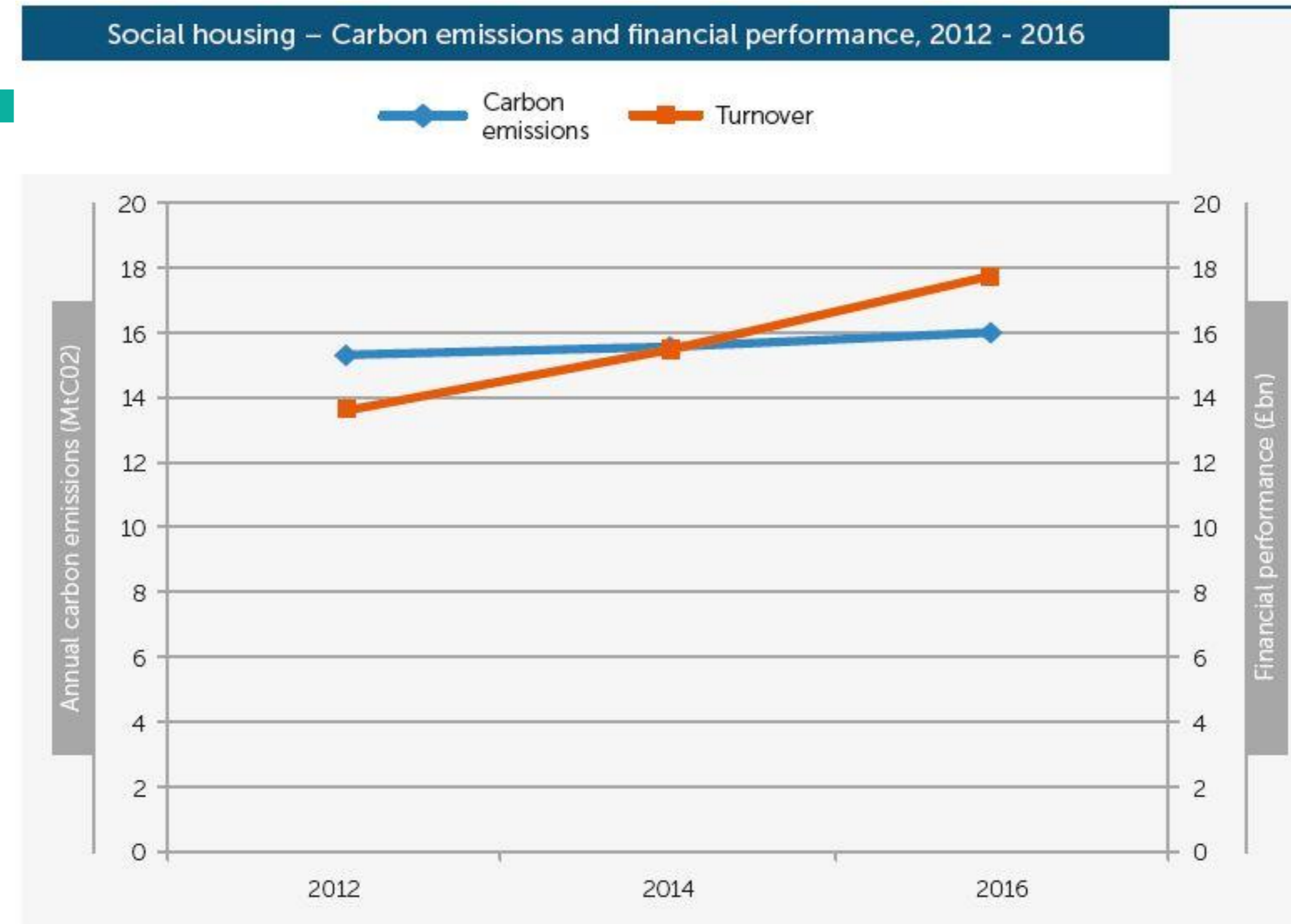
| | England | Scotland | Wales | Northern Ireland |
|-------------------|---|---|--|---|
| Energy efficiency | MEES as of April 2018 | EESH (for social housing) | Resource Efficient Wales (no policies) | Sustainable Energy Programme |
| Climate change | The Climate Change Act 2008 (applies to entire UK) | Scottish Climate Change Adaptation Programme (2014) | Wellbeing for Future Generations Act | Climate Change Adaptation Programme (2014) |
| Waste | Waste Framework Directive: 50% of household waste to be recycled by 2020 | Zero Waste Plan (2010): 70% recycling by 2025 | Towards Zero Waste (TZW): Zero waste by 2050 | Waste Management Strategy, and 60% LACMW recycling target by 2020 |
| Renewable Energy | The Renewable Energy Directive (2009): 15% of UK energy from renewables by 2020 | Routemap for Renewable Energy in Scotland: | 'A Low Carbon Revolution' (2010) | Renewables Obligation (Renewable Heat Incentive on hold) |
| Housing standards | Building regulations | Scottish Housing Quality Standard (only for social landlords and local authorities); Tolerable Standard | Welsh Housing Quality Standard (only for social landlords) | Decent Homes Standard |

What our research tells us



THE REVIEW SAFE AS HOUSES

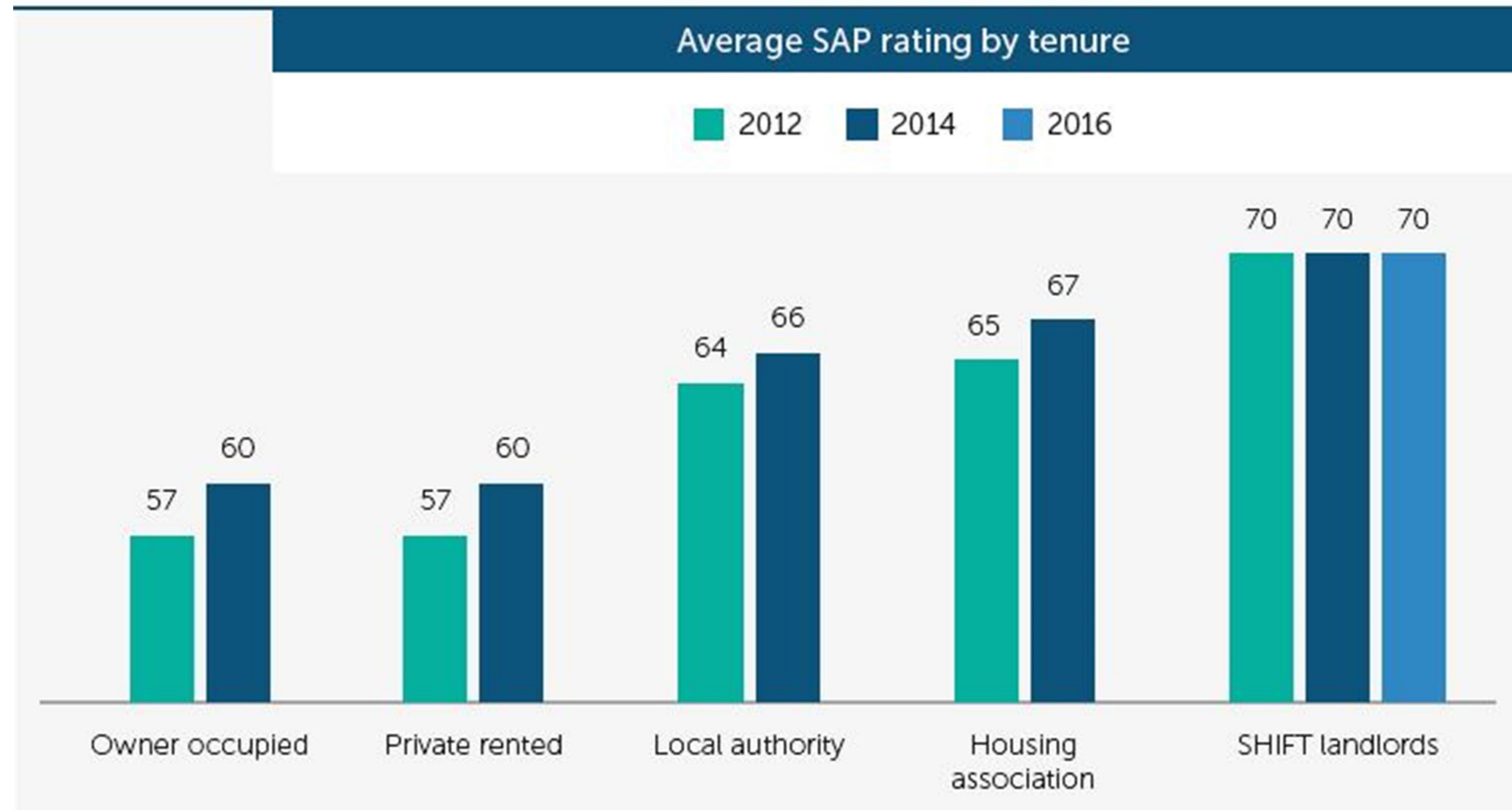
2016/2017



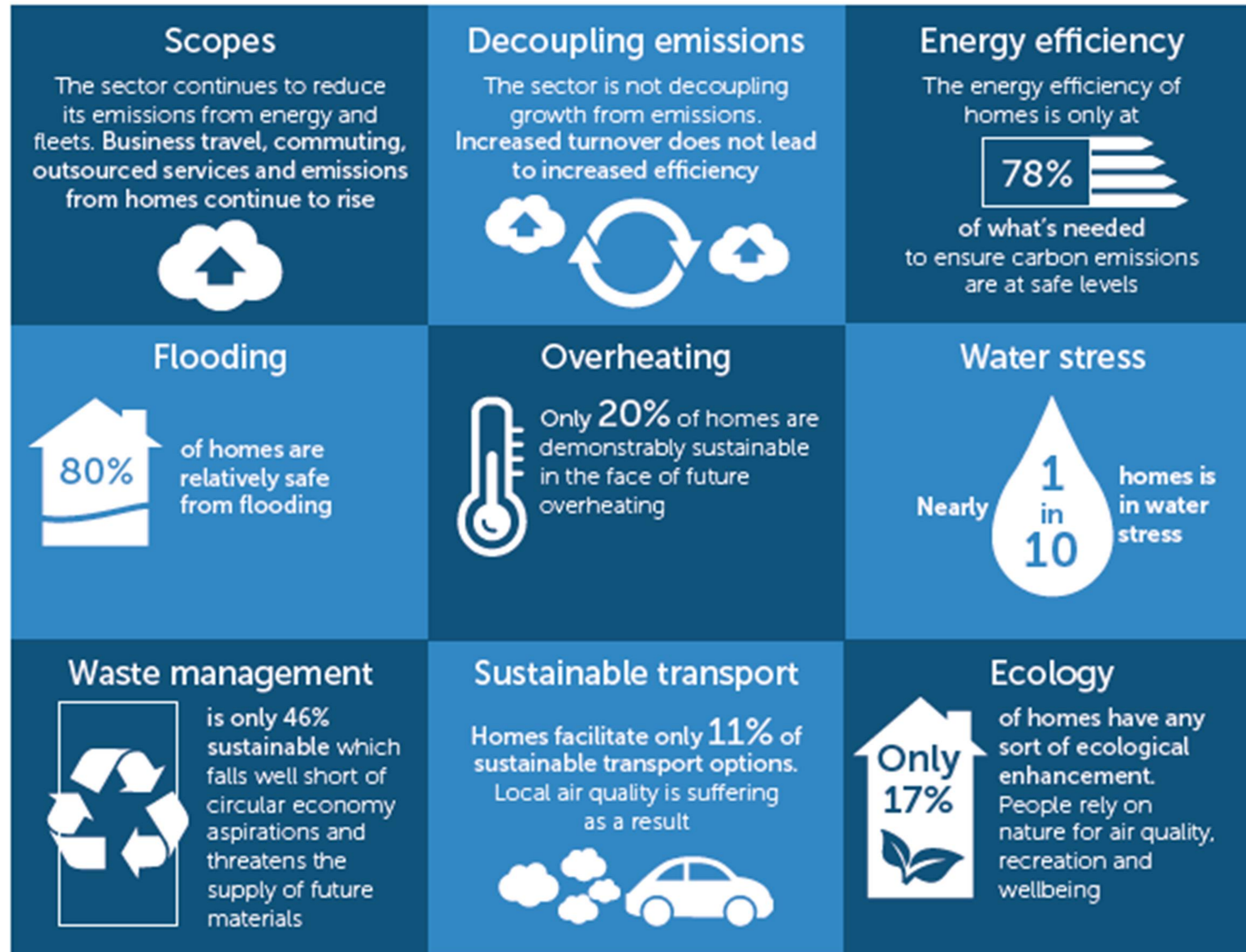
Research by the International Energy Agency (IEA) shows that for the last three years, global carbon dioxide emissions have remained level even while the global economy has grown. This separation between economic growth and emissions is termed 'decoupling'. The key drivers of this trend are declining coal usage, rising demand for gas and renewables, and increasing energy efficiency⁶.



What our research tells us



What our research tells us



- Construction sector has increased productivity by 11% in 25 years – the figure for the rest of the UK economy was 40%+
- The housing sector is largely inefficient – can grow revenues, but at the expense of efficiency
- Behind in its knowledge and implementation of MMC
- Housing associations still building to the highest standard – but other tenures are catching up
- Is beginning to sacrifice sustainability for growth – view both as incompatible
- Is slow to manage, audit and interrogate its supply chains
- At high risk of stranding its assets through approaches to heating technology and management

Where policy is taking us – Housing White Paper



- Pace and quantity
- A larger role for local authorities in house building and facilitating house building #
- A friendlier approach to RSL's
- Encouraging RSL's to build affordable homes
- Modern methods of construction are to be supported to deal with the lack of innovation in the sector
- Bringing more institutional investors into the housing sector
- A more balanced tenure model recognising affordability and demographic issues
- A reiteration of sustainable development under the NPPF
- Proposal to update climate change factors in policy to reflect future climate

Does BREXIT and GE 2017 render some of this moot?

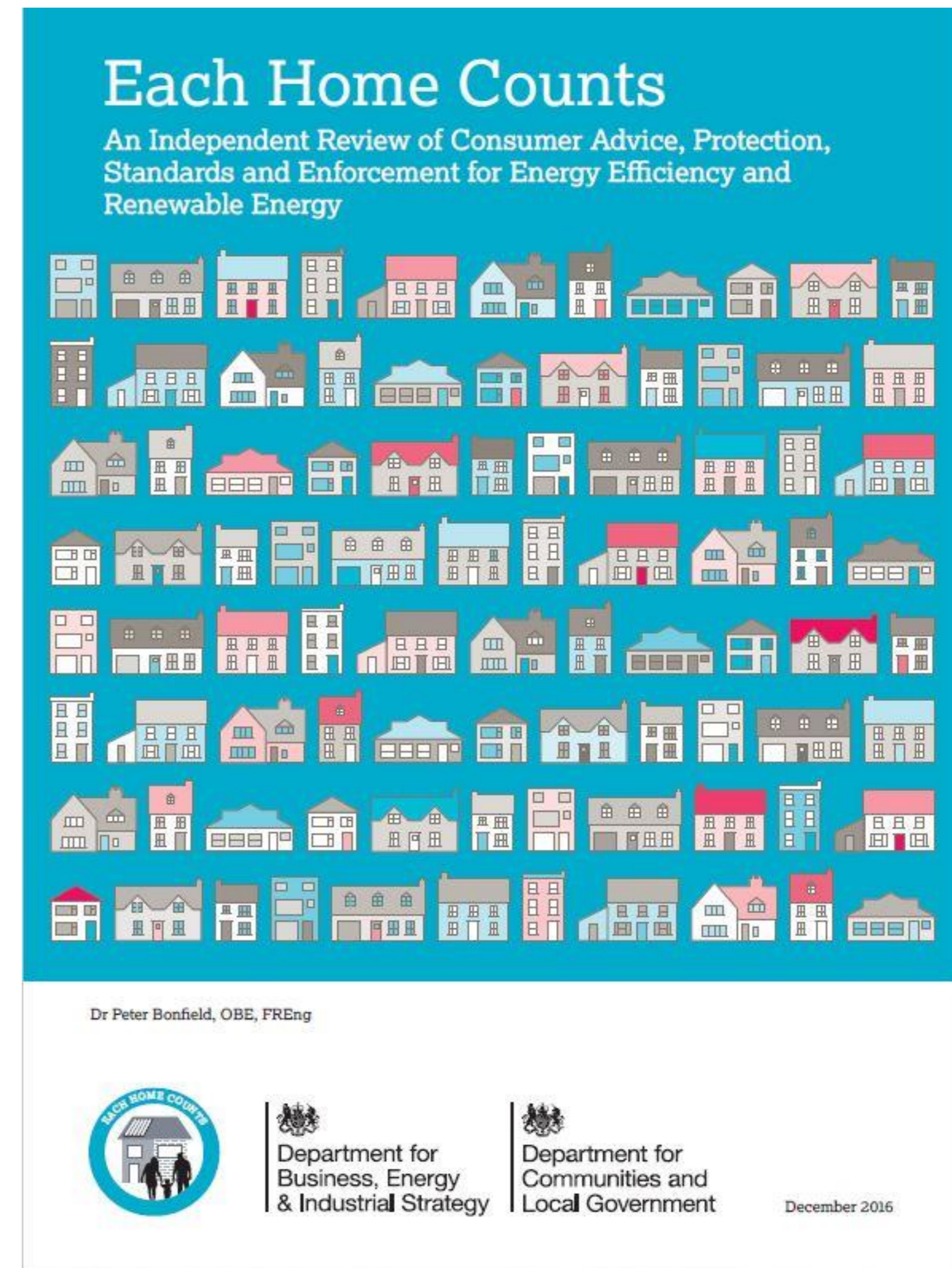


Where policy is taking us – Bonfield Review



- Quality Mark – the establishment of a single quality mark for all energy efficiency and renewable energy measures
- Development of an Information Hub and Data Warehouse
- New approaches to engaging with consumers – engaging the consumer base on renewables and energy efficiency through awareness raising at local and national levels
- Embedding core knowledge into the industry connected with the assessment of competence of businesses
- Compliance and enforcement regime – robust and joined-up industry-wide compliance and enforcement regime coordinated nationally to include on site monitoring or on site audits

Is this the answer to the scale of the retrofit challenge?



Where policy is taking us – standards and fragmentation



HOME
QUALITY
MARK 



Home Quality Mark 4 Star Home

An Excellent new home. Achieving this Mark means that the home is designed and built to have very low running costs, many positive impacts upon your health and wellbeing, all with an extremely low impact upon our environment.

| MY COST | MY WELLBEING | MY FOOTPRINT |
|---|--|---|
|  |  |  |
|  Very low energy bills |  Lots of natural light |  Low CO ₂ |
|  Low insurance costs |  Good temperature control |  Friendly materials |
|  Lower mortgage costs |  Good air quality |  Great biodiversity |

Address:
1st line,
2nd line
postcode

Developer:
Shahid

Architect:
Amy

Assessor:
Gwyn

Navigating the policy impasse – focus on material trends



- Regulation is not the enemy of innovation – see electronics sector
- Must make links to the work of the Committee on Climate Change
- Paris Agreement will have a big impact on housing sector – but not acknowledged in the HWP, social housing providers or many house builders
- Private rented sector is now seeing the highest rates of fuel poverty – up to 40%
- Different technology from heating to driverless cars to battery storage will influence delivery and design of homes
- Housing policy must address climate change, adapting new homes to climate change must be on a par with energy efficiency



What needs to happen



- More responsible investors holding clients to account
- Be more open minded to different models of delivery
- Head out of the sand (1) – Offsite and modern methods of construction
- Head out of the sand (2) – Get to know different technology
- Introduce manufacturing philosophies into delivery sooner
- Social housing providers/multi-tenure landlords need to stop being the victim of the supply chains they control



Thank you



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