



THE FUTURE HOMES AND BUILDINGS STANDARDS: 2023 CONSULTATION

CONSULTATION RESPONSE

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BPF

The British Property Federation (BPF) represents the UK real estate sector, an industry that contributes more than £107bn to the economy and supports 2.3million jobs.

Our members invest in commercial and residential real estate in communities across the UK: revitalising our cities and shared spaces, re-imagining our town centres and creating vibrant new places designed for the way we live today.

INTRODUCTION

We welcome the opportunity to respond to the Government's consultation on The Future Homes and Buildings Standards.

The real estate sector has a critical role to play in tackling climate change and higher environmental standards for new homes and buildings are an integral part of the sector's transition to net zero carbon.

We provided a full response to the 2021 consultation on the Future Buildings Standard. This can be downloaded [here](#).

This time, we have not sought to respond to the many technical questions in the consultation paper. Instead, we have touched on a number of core issues and themes:

- scope
- new buildings
- primary energy
- heat networks
- Home Energy Model
- transitional arrangements

We would also encourage Government to publish a swift response to the consultation paper. This will give investors and developers clarity on future regulatory frameworks and the confidence to invest in new homes and buildings.

BPF RESPONSE

Scope

The paper makes it clear that embodied carbon is beyond the scope of the consultation and the existing Building Regulations.

As we noted in our [response](#) to the 2021 consultation, the real estate sector increasingly considers the whole life carbon of buildings to minimise the impact on the environment through construction as well as operation. Local authorities are also increasingly requiring whole life carbon assessments for major projects.

We note that the Government intends to consult on its approach to measuring and reducing embodied carbon in new buildings “*in due course*”. As a priority, we would encourage the Government to start to work with the industry on new regulation for whole life and embodied carbon assessments, as already proposed by many industry bodies and BPF members.

New buildings

We welcome the focus on heat pumps and heat networks to heat our homes and buildings and agree that fossil fuel heating systems, such as gas boilers, should not be compatible with the new Standards. We would also encourage Government to bring forward the decision on the role of hydrogen in heat decarbonisation (currently scheduled for 2026) to provide confidence to the sector on low carbon heating solutions.

On the use of PV panels, we would signpost some of the practical concerns raised in the Construction Industry Council’s response to the consultation, including those on feasibility and cost.

We would also note that there are a range of other policy and regulatory interventions that will be necessary to deliver truly net zero homes and buildings. These include EPC reform (and in time moving beyond EPCs to in-use energy performance metrics) and a national approach to regulate embodied carbon. Improving grid capacity and connectivity will also be critical as we move towards all electric buildings.

Primary energy

We have previously expressed concern over the choice of primary energy over delivered energy as the key energy metric.

As set out in our [response](#) to the 2021 consultation, the use of a primary energy metric has significant limitations. In addition, primary energy metrics are not easily understood by building users, owners, and investors.

As noted in the UK Green Building Council response to this consultation exercise, the vast majority of industry respondents to the last consultation were opposed to primary energy as the key metric.

Heat networks

We support the broad policy of encouraging the development of low carbon heat networks, which is in line with the real estate sector’s net zero ambitions.

However, the experience of BPF members to date is mixed. As a result, we would welcome greater regulation of the heat market to provide more standardisation and deliver better outcomes for consumers, residents and tenants.

We have responded to the recent Government consultation on heat network zoning which sets out our position in more detail. You can download our response [here](#).

We would also note that some BPF members have invested heavily in developing heat networks in a way that has been supported and encouraged by local and regional authorities and driven regeneration across the country. The proposal in the consultation paper to remove the distinction between new and existing heat networks could put some of these investors at a disadvantage (where the existing networks may not currently meet the definition of low carbon but where decarbonisation plans are in place). We would like to see some flexibility to take account of this.

Home Energy Model

We have an open mind on the adoption of the Home Energy Model (HEM) as a replacement to the Standard Assessment Procedure (SAP) and agree that the current methodology can be improved.

However, we are aware that some developers have found it challenging to evidence compliance with the new standard in the current version of the consultation software.

We also note that there will be a need to upskill energy assessors and time for the sector to adjust to the new model.

We would like to await the outcome of the current consultation on HEM before commenting further. We would also like to understand the impact of HEM on domestic EPCs. We understand that the Government is working on proposals for improving domestic EPCs and that this work will feed into the development of a HEM methodology for producing domestic EPCs.

Transitional arrangements

It will take time for developers to transition to the new Standards and to build up skills and supply chains.

As such, of the options outlined in consultation paper, we would support option two.

This would allow up to 12-months between the laying date of the Future Homes and Buildings Standard regulations and the publication of full technical specification and the regulation coming into force. This would then be followed by a 12-month transitional period.

MORE INFORMATION

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