

RESPONSE FROM THE INSTITUTE OF ENVIRONMENTAL MANAGEMENT AND ASSESSMENT (IEMA) TO DLUHC'S 2023 CONSULTATION ON THE FUTURE HOMES AND BUILDINGS STANDARDS

ABOUT IEMA

We are the Institute of Environmental Management and Assessment (IEMA). We are the global professional body for over 20,000 individuals and 300 organisations working, studying or interested in the environment and sustainability. We are the professional organisation at the centre of the sustainability agenda, connecting business and individuals across industries, sectors and borders. We also help and support public and private sector organisations, governments and regulators to do the right thing when it comes to environment and sustainability-related initiatives, challenges and opportunities. We work to influence public policy on environment and sustainability matters. We do this by drawing on the insights and experience of our members to ensure that what happens in practice influences the development of government policy, legislation, regulations and standards.

EXECUTIVE SUMMARY

IEMA members from relevant sectors were asked to put forward their views on the consultation proposals. The IEMA team also corresponded with external organisations in the space where sustainability advocacy and building standards technology overlap.

Not all questions in the consultation were answered.

The key recommendations are as follows:

- Option 1 is vastly preferable to Option 2, but does not go as far as it could using existing technologies which are known to work at scale. Government should introduce Option 1 and immediately begin work on a further iteration of the Standard so that new buildings are of a higher standard by 2028.
- Embodied carbon was scoped out of this consultation, which was repeatedly highlighted in our research as a missed opportunity: embodied carbon represents emissions happening now and immediate impact on our carbon budgets. The next iteration of the standard must include regulations on embodied carbon.

QUESTION 1. ARE YOU RESPONDING AS / ON BEHALF OF (SELECT ALL THAT APPLY):

We are responding as a Professional body or institution: The Institution of Environmental Management and Assessment.

QUESTION 7. WHICH OPTION FOR THE DWELLING NOTIONAL BUILDINGS (FOR DWELLINGS NOT CONNECTED TO HEAT NETWORKS) SET OUT IN THE FUTURE HOMES STANDARD 2025: DWELLING NOTIONAL BUILDINGS FOR CONSULTATION DO YOU PREFER?

- A. OPTION 1 (HIGHER CARBON AND BILL SAVINGS, HIGHER CAPITAL COST)
B. OPTION 2 (LOWER CARBON SAVINGS, INCREASE IN BILL COSTS, LOWER CAPITAL COST)

Of the two options put forward, IEMA prefers Option 1. This preference comes with the caveat that Option 1 is only the preferred option because Option 2 is so poor.

IEMA strongly disagrees with the proposals put forward in Option 2, which could result in comparatively lower carbon savings and an increase in bill costs. Option 2 would be a missed opportunity in terms of carbon savings, and with the higher bill costs, would be a poor outcome for social sustainability and the just transition. Option 2 would result in greater demand for electricity than Option 1. The National Grid already identifies meeting increased demand as one of its greatest challenges¹, therefore demand should be minimised wherever possible.

IEMA notes that five options were worked up by the Future Homes Hub for DLHUC, and that the two options that have come forward in the consultation are the two least ambitious. It is disappointing that the opportunity has not been taken to consult on the more ambitious options. Government should introduce Option 1 and immediately consult on a more ambitious option to be introduced with little delay.

IEMA members further note that the FHS makes no reference to embodied carbon in new buildings. Embodied carbon makes up 20% of UK built environment emissions.² While emissions that will happen in the future (operational emissions) are being addressed by the FHS, emissions that are happening now (embodied carbon) are not. This is not compatible with the principle of carbon budgets which require reductions of emissions now. Embodied carbon should be included in the next iteration of the Future Homes Standard.

Therefore, policies that require a reduction of whole life carbon and that can include circular economy measures should be included in the FHS.

QUESTION 8. WHAT ARE YOUR PRIORITIES FOR THE NEW SPECIFICATION? (SELECT ALL THAT APPLY) LOW CAPITAL COST; LOWER BILLS; CARBON SAVINGS OTHER (PLEASE PROVIDE FURTHER INFORMATION)

Priorities put forward are:

- Carbon savings. The UK has set itself ambitious targets and an ambition to be seen as leaders on the international stage for emissions reductions. It follows that carbon savings should be a key priority in policy making.
- Lower bills. Social sustainability and the just transition are government priorities, and it follows that they should be considered as a foundation of policy-making.

QUESTION 9. WHICH OPTION FOR THE DWELLING NOTIONAL BUILDINGS FOR DWELLINGS CONNECTED TO HEAT NETWORKS SET OUT IN THE FUTURE HOMES STANDARD 2025: DWELLING NOTIONAL BUILDINGS FOR CONSULTATION DO YOU PREFER?

A. OPTION 1 (HIGHER CARBON AND BILL SAVINGS, HIGHER CAPITAL COST)

B. OPTION 2 (LOWER CARBON SAVINGS, INCREASE IN BILL COSTS, LOWER CAPITAL COST)

Of the two options put forward, IEMA prefers Option 1. This preference comes with the caveat that Option 1 is only the preferred option because Option 2 is so poor.

¹ Delivering for 2035: Upgrading the grid for a secure, clean and affordable energy future [download \(nationalgrid.com\)](https://www.nationalgrid.com)

² [Embodied Carbon | UKGBC](#)

IEMA strongly disagrees with the proposals put forward in Option 2, which could result in comparatively lower carbon savings and an increase in bill costs. Option 2 would be a missed opportunity in terms of carbon savings, and with the higher bill costs, would be a poor outcome for social sustainability and the just transition.

QUESTION 10. WHICH OPTION DO YOU PREFER FOR THE PROPOSED NON-DOMESTIC NOTIONAL BUILDINGS SET OUT IN THE NCM MODELLING GUIDE?

- A. OPTION 1
- B. OPTION 2

Option 1.

QUESTION 11. WHAT ARE YOUR PRIORITIES FOR THE NEW SPECIFICATION? LOW CAPITAL COST LOWER BILLS CARBON SAVINGS OTHER (PLEASE PROVIDE FURTHER INFORMATION)

Carbon savings, and reduced demand on the national grid.

QUESTION 12. DO YOU AGREE THAT THE METRICS SUGGESTED ABOVE (TER, TPER AND FEE) BE USED TO SET PERFORMANCE REQUIREMENTS FOR THE FUTURE HOMES AND BUILDINGS STANDARDS?

- A. YES
- B. YES, AND I WANT TO PROVIDE VIEWS ON THE SUITABILITY OF THESE METRICS AND/OR THEIR ALTERNATIVES
- C. NO, I THINK DELIVERED ENERGY SHOULD BE USED
- D. NO, I THINK FEE SHOULD BE CHANGED
- E. NO, FOR ANOTHER REASON (PLEASE PROVIDE JUSTIFICATION)

Yes.

QUESTION 13. DO YOU AGREE WITH THE PROPOSED CHANGES TO MINIMUM BUILDING SERVICES EFFICIENCIES AND CONTROLS SET OUT IN SECTION 6 OF DRAFT APPROVED DOCUMENT L, VOLUME 1: DWELLINGS?

- A. YES
- B. YES, AND I WANT TO PROVIDE ADDITIONAL SUGGESTIONS OR INFORMATION TO SUPPORT MY VIEW
- C. NO (PLEASE PROVIDE JUSTIFICATION)

Yes.

QUESTION 14. DO YOU AGREE WITH THE PROPOSAL TO INCLUDE ADDITIONAL GUIDANCE AROUND HEAT PUMP CONTROLS FOR HOMES, AS SET OUT IN SECTION 6 OF DRAFT APPROVED DOCUMENT L, VOLUME 1: DWELLINGS?

- A. YES
- B. YES, AND I WANT TO PROVIDE ADDITIONAL SUGGESTIONS OR INFORMATION TO SUPPORT MY VIEW
- C. NO (PLEASE PROVIDE JUSTIFICATION)

Yes, guidance should be provided to ensure a smooth transition for new users.

QUESTION 15. DO YOU AGREE THAT OPERATING AND MAINTENANCE INFORMATION SHOULD BE FIXED TO HEAT PUMP UNITS IN NEW HOMES?

- A. YES
- B. YES, AND I WANT TO PROVIDE ADDITIONAL SUGGESTIONS OR INFORMATION TO SUPPORT MY VIEW
- C. NO (PLEASE PROVIDE JUSTIFICATION)

Yes, operating and maintenance information should be provided to ensure a smooth transition for new users and people servicing and maintaining this technology especially while it remains new to many.

QUESTION 19. DO YOU AGREE WITH THE PROPOSED CHANGES TO MINIMUM BUILDING SERVICES EFFICIENCIES AND CONTROLS SET OUT IN SECTION 6 OF DRAFT APPROVED DOCUMENT L, VOLUME 2: BUILDINGS OTHER THAN DWELLINGS?

- A. YES
- B. YES, AND I WANT TO PROVIDE ADDITIONAL SUGGESTIONS OR INFORMATION TO SUPPORT MY VIEW
- C. NO (PLEASE PROVIDE JUSTIFICATION)

Yes.

QUESTION 20. DO YOU AGREE WITH THE PROPOSED GUIDANCE ON THE INSULATION STANDARD FOR BUILDING HEAT DISTRIBUTION SYSTEMS IN APPROVED DOCUMENT L, VOLUME 2: BUILDINGS OTHER THAN DWELLINGS?

- A. YES
- B. YES, AND I WANT TO PROVIDE ADDITIONAL SUGGESTIONS OR INFORMATION TO SUPPORT MY VIEW
- C. NO (PLEASE PROVIDE JUSTIFICATION)

Yes.

QUESTION 22. DO YOU AGREE THAT LIFTS, ESCALATORS AND MOVING WALKWAYS IN NEW BUILDINGS (BUT NOT WHEN INSTALLED WITHING A DWELLING) SHOULD BE INCLUDED IN THE DEFINITION OF FIXED BUILDING SERVICES?

- A. YES
- B. YES, AND I WANT TO PROVIDE ADDITIONAL SUGGESTIONS OR INFORMATION TO SUPPORT MY VIEW
- C. NO (PLEASE PROVIDE JUSTIFICATION)

Yes.

QUESTION 26. SHOULD THE PROPOSED NEW MCU STANDARD APPLY TO THE SAME TYPES OF CONVERSION AS ARE ALREADY LISTED IN APPROVED DOCUMENT L, VOLUME 1: DWELLINGS?

- A. YES
- B. NO, STANDARDS SHOULD ALSO APPLY TO NON-DWELLING ACCOMMODATION E.G., STUDENT OR PATIENT ACCOMMODATION, CARE HOMES, AND HOTELS
- C. NO, THE STANDARD SHOULD BE CLEARER THAT IT APPLIES TO HOUSES OF MULTIPLE OCCUPATION (PLEASE RECOMMEND SPECIFIC BUILDING TYPES YOU THINK THE STANDARD SHOULD APPLY TO AND PROVIDE JUSTIFICATION)
- D. NO, FOR ANOTHER REASON (PLEASE PROVIDE JUSTIFICATION)

Yes.

QUESTION 27. SHOULD DIFFERENT CATEGORIES OF MCU BUILDINGS BE SUBJECT TO DIFFERENT REQUIREMENTS?

- A. YES
- B. NO (PLEASE PROVIDE JUSTIFICATION)

Yes.

QUESTION 31. DO YOU AGREE WITH USING THE METRICS OF PRIMARY ENERGY RATE, EMISSION RATE AND FABRIC ENERGY EFFICIENCY RATE, IF WE MOVE TO WHOLE DWELLING STANDARDS FOR MCU BUILDINGS?

- A. YES
- B. YES, AND I WANT TO PROVIDE ADDITIONAL SUGGESTIONS OR INFORMATION TO SUPPORT MY VIEW
- C. NO (PLEASE PROVIDE JUSTIFICATION)

Yes.

QUESTION 34. SHOULD A LIMITING STANDARD BE RETAINED FOR MCU DWELLINGS?

- A. YES (PLEASE PROVIDE FURTHER DETAILS)
- B. NO, IT IS TOO STRICT
- C. NO, IT IS NOT STRICT ENOUGH
- D. NO, THERE IS NOT ENOUGH INFORMATION
- E. NO, FOR ANOTHER REASON (PLEASE PROVIDE FURTHER DETAILS)

Yes.

QUESTION 35. IF A LIMITING STANDARD IS RETAINED, WHAT SHOULD THE LIMITING STANDARD SAFEGUARD AGAINST? PLEASE SELECT ALL THAT APPLY: RISK OF MOISTURE, DAMP AND MOULD HIGH ENERGY DEMAND AND ENERGY BILLS (PLEASE PROVIDE RECOMMENDED VALUES REFERRING TO ADL VOLUME 1 TABLE 4.3) OTHER (PLEASE PROVIDE FURTHER DETAILS)

Risk of moisture, damp and mould; High energy demand and energy bills.

QUESTION 37. DO YOU AGREE THAT A BREL REPORT SHOULD BE PROVIDED TO BUILDING CONTROL BODIES IF WE MOVE TO ENERGY MODELLING TO DEMONSTRATE COMPLIANCE WITH MCU STANDARDS?

- A. YES
- B. YES, AND PHOTOGRAPHIC EVIDENCE IS NEEDED
- C. YES, AND I'D LIKE TO PROVIDE FURTHER INFORMATION
- D. NO (PLEASE PROVIDE JUSTIFICATION)

Yes.

QUESTION 38. DO YOU AGREE THAT CONSUMERS BUYING HOMES CREATED THROUGH A MATERIAL CHANGE OF USE SHOULD BE PROVIDED WITH A HOME USER GUIDE WHEN THEY MOVE IN?

- A. YES
- B. YES, AND I'D LIKE TO PROVIDE FURTHER INFORMATION
- C. NO (PLEASE PROVIDE JUSTIFICATION)

Yes.

QUESTION 39. DO YOU AGREE THAT HOMES THAT HAVE UNDERGONE AN MCU SHOULD BE AIRTIGHTNESS TESTED?

- A. YES
- B. YES, AND I'D LIKE TO PROVIDE FURTHER INFORMATION
- C. NO (PLEASE PROVIDE JUSTIFICATION)

Yes.

QUESTION 40. DO YOU THINK THAT WE SHOULD INTRODUCE VOLUNTARY POST OCCUPANCY PERFORMANCE TESTING FOR NEW HOMES?

- A. YES
- B. YES, AND I'D LIKE TO PROVIDE FURTHER INFORMATION
- C. NO (PLEASE PROVIDE JUSTIFICATION)

No.

Voluntary post-completion testing is unlikely to provide enough reporting to provide a rounded and comprehensive picture of delivered performance. Testing should be mandatory. Post-occupancy testing should also be available but voluntarily and incentivised.

QUESTION 41. DO YOU THINK THAT THE GOVERNMENT SHOULD INTRODUCE A GOVERNMENT-ENDORSED FUTURE HOMES STANDARD BRAND? AND DO YOU AGREE PERMISSION TO USE A GOVERNMENT-ENDORSED FUTURE HOMES STANDARD BRAND SHOULD ONLY BE GRANTED IF A DEVELOPER'S HOMES PERFORM WELL WHEN PERFORMANCE TESTED? PLEASE INCLUDE ANY POTENTIAL RISKS YOU FORESEE IN YOUR ANSWER.

- A. YES
- B. YES, AND I WANT TO PROVIDE ADDITIONAL SUGGESTIONS OR INFORMATION
- C. YES, BUT I THINK THERE ARE RISKS ASSOCIATED WITH INTRODUCING A GOVERNMENT-ENDORSED BRAND
- D. NO (PLEASE PROVIDE JUSTIFICATION)

No.

In answer to the first part of the question: The sector should aim to put in place a system which is easy for consumers (home buyers or renters) to use. Most consumers have neither the time nor inclination to become energy performance experts, they need a simple system which gives them enough trustworthy information, simply presented, upon which to make their decisions.

As such, the addition of a FHS brand could be confusing to people buying or renting homes, who would be expected to understand both the existing Energy Performance Certificates (or their successor) *and* a brand. On top of this would be the problem of future iterations of the FHS which would pose rebranding challenges. A more streamlined approach which would meet consumer needs would be an effective successor to or evolution of Energy Performance Certificates.

In answer to the second part of the question: Given the known problems with performance gaps, and the well-documented fact that a growing number of homeowners are reporting a higher number of snagging

issues³, then if a government-endorsed FHS brand is introduced, it should definitely only be granted if a developer's homes perform well when performance tested.

QUESTION 47. DO YOU AGREE WITH PROPOSED CHANGES TO APPROVED DOCUMENT L, VOLUME 1: DWELLINGS AND APPROVED DOCUMENT F, VOLUME 1: DWELLINGS TO (A) CLARIFY THE OPTIONS FOR CERTIFYING FIXED BUILDING SERVICES INSTALLATIONS AND (B) SET OUT AVAILABLE ENFORCEMENT OPTIONS WHERE WORK DOES NOT MEET THE REQUIRED STANDARD?

- A. YES
- B. YES, AND I'D LIKE TO PROVIDE FURTHER INFORMATION
- C. NO (PLEASE PROVIDE JUSTIFICATION)

Yes.

QUESTION 48. DO YOU THINK THE ADDITIONAL INFORMATION WE INTEND TO ADD TO THE HOME USER GUIDE TEMPLATE, OUTLINED ABOVE, IS SUFFICIENT TO ENSURE HOME OCCUPANTS CAN USE THEIR HEAT PUMPS EFFICIENTLY?

- A. YES
- B. YES, AND I'D LIKE TO PROVIDE FURTHER INFORMATION
- C. NO (PLEASE PROVIDE JUSTIFICATION)

Yes.

QUESTION 53. DO YOU AGREE THAT NEW HOMES AND NEW NON-DOMESTIC BUILDINGS SHOULD BE PERMITTED TO CONNECT TO HEAT NETWORKS, IF THOSE NETWORKS CAN DEMONSTRATE THEY HAVE SUFFICIENT LOW-CARBON GENERATION TO SUPPLY THE BUILDINGS' HEAT AND HOT WATER DEMAND AT THE TARGET CO2 LEVELS FOR THE FUTURE HOMES OR BUILDINGS STANDARD?

- A. YES
- B. YES, AND I'D LIKE TO PROVIDE FURTHER INFORMATION
- C. NO (PLEASE PROVIDE JUSTIFICATION)

Yes.

QUESTION 54. DO YOU AGREE THAT NEWLY CONSTRUCTED DISTRICT HEATING NETWORKS (I.E., THOSE BUILT AFTER THE FUTURE HOMES AND BUILDINGS STANDARD COMES INTO FORCE) SHOULD ALSO BE ABLE TO CONNECT TO NEW BUILDINGS USING THE SLEEVING METHODOLOGY?

- A. YES
- B. YES, AND I'D LIKE TO PROVIDE FURTHER INFORMATION
- C. NO (PLEASE PROVIDE JUSTIFICATION)

Yes.

QUESTION 65. DO YOU AGREE THAT PART L1 OF SCHEDULE 1 SHOULD BE AMENDED, AS ABOVE, TO REQUIRE THAT REASONABLE PROVISION BE MADE FOR THE CONSERVATION OF ENERGY AND REDUCING CARBON EMISSIONS?

³ [CMA finds fundamental concerns in housebuilding market - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/cma-finds-fundamental-concerns-in-housebuilding-market)

- A. YES
- B. YES, AND I'D LIKE TO PROVIDE FURTHER INFORMATION
- C. NO (PLEASE PROVIDE JUSTIFICATION)

Yes.

QUESTION 66. DO YOU AGREE THAT REGULATIONS 25A AND 25B WILL BE REDUNDANT FOLLOWING THE INTRODUCTION OF THE FUTURE HOMES AND BUILDINGS STANDARDS AND CAN BE REPEALED?

- A. YES
- B. YES, AND I'D LIKE TO PROVIDE FURTHER INFORMATION
- C. NO (PLEASE PROVIDE JUSTIFICATION)

Yes.

QUESTION 67. DO YOU AGREE THAT THE HOME ENERGY MODEL SHOULD BE ADOPTED AS THE APPROVED CALCULATION METHODOLOGY TO DEMONSTRATE COMPLIANCE OF NEW HOMES WITH THE FUTURE HOMES STANDARD?

- A. YES
- B. YES, AND I'D LIKE TO PROVIDE FURTHER INFORMATION
- C. NO (PLEASE PROVIDE JUSTIFICATION)

Yes.

QUESTION 78. WHICH OPTION DESCRIBING TRANSITIONAL ARRANGEMENTS FOR THE FUTURE HOMES AND BUILDINGS STANDARD DO YOU PREFER? PLEASE USE THE SPACE PROVIDED TO PROVIDE FURTHER INFORMATION AND/OR ALTERNATIVE ARRANGEMENTS.

A. OPTION 1: A 6-MONTH PERIOD BETWEEN THE LAYING DATE OF THE FUTURE HOMES AND BUILDINGS STANDARD REGULATIONS AND PUBLICATION OF FULL TECHNICAL SPECIFICATION AND THE REGULATIONS COMING INTO FORCE.

B. OPTION 2: UP TO 12-MONTHS BETWEEN THE LAYING DATE OF THE FUTURE HOMES AND BUILDINGS STANDARD REGULATIONS AND PUBLICATION OF FULL TECHNICAL SPECIFICATION AND THE REGULATION COMING INTO FORCE.

PLEASE PROVIDE FURTHER INFORMATION OR SUGGEST ALTERNATIVE TRANSITIONAL ARRANGEMENTS WITH YOUR RATIONALE AND SUPPORTING EVIDENCE.

Option 1 should be enough time for transitional arrangements. Housebuilders are already pricing in the transition risk.⁴

⁴ Extract from [Vistry Group Sustainability Report 2022](#): Pg 51: *Pricing for the cost of climate change We continue to categorise the risks relating to climate change into two classes – transitional risks and physical risks. Requirements relating to the mitigation of transitional risks are well defined and are accordingly priced into the financial statements as outlined below. Physical risks are less well defined, and whilst an estimation of their potential impact is assessed and disclosed they are also reviewed regularly to assess if their potential realisation has changed. Transitional risks: The requirements for mitigating these risks are defined for the Group, and the industry more broadly, through government regulation in particular the Future Homes Standard which will come into effect in 2025 and the nearer term progressive steps including Part L and Part F. To meet these requirements, we have designed new house types to meet these standards. The build of these house types is then priced using today's costs for materials and labour. For sites yet to be acquired new house types are factored into our land appraisals to ensure the cost of meeting these new*

QUESTION 94. PLEASE PROVIDE ANY FEEDBACK YOU HAVE ON THE POTENTIAL IMPACT OF THE PROPOSALS OUTLINED IN THIS CONSULTATION DOCUMENT ON PERSONS WHO HAVE A PROTECTED CHARACTERISTIC. IF POSSIBLE, PLEASE PROVIDE EVIDENCE TO SUPPORT YOUR COMMENTS.

Option 2, with higher energy costs would have a detrimental impact on many people who have higher heating needs because of age, disability, pregnancy and maternity.

regulations is factored into the targeted returns. For existing sites that will need to meet these standards build costs are included in our site Cost Valuation Reports (CVRs) which impacts site wide margins and gross margin.