

The Chartered Institute of Building

submission to

The Department of Energy and Climate Change (DECC)

on the consultation

Private Rented Sector Energy Efficiency Regulations (Domestic)

2nd September 2014

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Introduction

The CIOB is at the heart of a management career in construction. We are the world's largest and most influential professional body for construction management and leadership. We have a Royal Charter to promote the science and practice of building and construction for the benefit of society, which we have been doing since 1834. Our members work worldwide in the development, conservation and improvement of the built environment.

We accredit university degrees, educational courses and training. Our professional and vocational qualifications are a mark of the highest levels of competence and professionalism, providing assurance to clients and other professionals procuring built assets.

Executive Summary

- Our primary concern relates to the process of understanding the energy performance of buildings and in particular those traditionally built. We would agree with the growing evidence that SAP methodology is not fit for purpose in the calculation of the thermal performance of traditional buildings.
- There is a lack of knowledge on how traditional buildings perform and therefore how energy efficiency retrofit affects such buildings posing ever increasing risks of unintended consequences and performance gaps between predicted energy savings and actual thermal performance.
- This regulation could result in measures which are unsuitable for the buildings in question being installed and because of the flawed assessment method and lack of knowledge such measures may be wasteful and not achieved the calculated energy savings, accelerate the deterioration of the building fabric and cause health problems for those that occupy them.
- Energy efficiency should begin with properly understanding the performance of buildings and making sure we keep them dry and in good repair. This should be the first port of call for works to buildings and is cited in BS 7913: 2013.

Response

We strongly believe that retrofitting the existing building stock is both the greatest challenge and opportunity facing the construction industry today.

We support a commitment to energy efficiency and job creating initiatives as they have the potential (albeit potential that is not currently being realised) to transform the energy efficiency of the UK's building stock, assist in eliminating fuel poverty, and contribute to a successful and world-leading construction industry and green economy.

Traditional buildings make up about a quarter of the UK building stock and around 40% of the PRS. We believe that many traditional buildings will be able to achieve the Minimum Standard E by way of the current unreliable assessment method. However, the standardised approach with solutions offered by the current Green Deal and ECO packages will lead to unsuitable measures being installed. This could lead to accelerated deterioration of building fabric and detrimental effects to human health. These factors are compounded by a lack of research, guidance and skills to ensure that buildings are properly assessed and measures are properly installed.

We have not responded to all questions in the consultation; only those deemed most pertinent. Please direct all queries to David Hawkes, Policy & Sustainability Officer at dhawkes@ciob.org.uk or 01344 630 735.

4. Do you agree with the proposed set of circumstances in which a landlord may reasonably refuse consent to improvements, and in addition, do you agree that the regulations should also allow for landlords to make a case for a reasonable refusal on a case by case basis?

5. Do you agree with the proposed approach for demonstrating an exemption where works would result in a material net decrease in a property's value? What would be the most appropriate way to set the threshold?

All traditional buildings could have character worth protecting regardless of whether they are Listed or have no statutory protection. On that basis we believe that landlords should have the right to refuse because of harm to character and that the methods of improvements are not suitable for the properties is essential. EPC and the Green Deal do not currently have enough flexibility to exclude measures that are inappropriate or potentially harmful for traditional buildings.

The Building Regulations Building Regulations Part L1B (existing dwellings) 2011 edition as amended 2013 and 2014 acknowledge the potential harm some measures can impose on a traditional building:

*Historic **and traditional buildings** where special consideration may apply*

*3.8. There are 3 further classes of buildings where **special consideration** in making reasonable provision for the conservation of fuel or power may apply:*

- a. buildings which are of architectural and historical interest and which are referred to as a material consideration in a local authority's development plan or local development framework;*
- b. buildings which are of architectural and historical interest within national parks, areas of outstanding natural beauty, registered historic parks and gardens, registered battlefields, the curtilages of scheduled ancient monuments, and world heritage sites;*

- c. buildings of traditional construction with permeable fabric that both absorbs and readily allows the evaporation of moisture.*

3.9. When undertaking work on or in connection with a building that falls within one of the classes listed above, the aim should be to improve energy efficiency as far is reasonably practicable. The work should not prejudice the character of the host building or increase the risk of long-term deterioration of the building fabric or fittings.

3.10. The guidance given by English Heritage should be taken into account in determining appropriate energy performance standards for building work in historic buildings.

- We request that as highlighted above that the Building Regulations in this area are noted and applied.
- Also refer to our comments on Q.14 and Q.23 below.
- We do agree that the regulations should allow for landlords to make a case for a reasonable refusal on a case by case basis.

8. Do you agree that a landlord should be permitted to make a counter-offer to a tenant's request that meets or exceeds the energy efficiency improvements requested by the tenant where there are not increased costs on the tenant?

We support the idea that landlords are able to make a counter offer which will either meet or exceed the energy efficiency measures requested by the tenant.

14. Do you agree that where a property falls below an E EPC rating, the landlord would only be required to make those improvements which could be made at no net or upfront costs, i.e. those that meet the "Golden Rule", that the cost of the work, including finance costs, should not exceed the expected savings taking into account any grant funding or ECO? For those properties that do not meet an E EPC rating, do you have any suggestions for how the process could be streamlined?

We believe that the value of the 'Golden Rule' is undermined by the fundamental flaws in the assessment process. The RdSAP methodologies on which EPCs are based often produce inaccurate results for buildings of traditional construction. The process fails to fails to consider advice in other very well respected authoritative guidance such as BS 7913:2013: Guide to the conservation of historic buildings. Within section 5.3.1 Sustainability it states:

The most effective way of ensuring energy efficiency and sustainability is to keep historic buildings in good repair so that they last as long as possible, do not need replacement and do not suffer from avoidable decay that would

require energy and carbon to rectify. They should provide occupancy in an efficient manner involving minimal production of carbon and use of energy without harming significance or the physical performance of the historic fabric. ***Using natural ventilation and light and proper temperature and humidity control for individual rooms are ways of minimizing energy usage that respect the building's natural characteristics.***

Elements such as walls can be over a third less energy efficient if damp. Some energy efficient measures can have an adverse effect on sustainability. The actual energy efficiency of historic buildings and their potential energy efficiency with the addition of energy efficient measures should be taken into account at the outset (see 6.3). The need for energy efficiency and low carbon might also influence the selection of materials and work methods as they can impact on thermal performance and weather resistance. Building materials and products should be sourced and procured in a sustainable manner. The historic building should be regularly inspected....

We believe it to be unacceptable without reliable authoritative independent guidance on measures and performance, to rely on the 'Golden Rule' as an indicator of what improvements a landlord should or should not be required to make. Landlords need to be provided with proper unbiased information and advice about improving their buildings specifically relating to age and type of construction. They also need to be provided with advice on the energy efficiency benefits of proper maintenance and repair as cited in BS 7913:2013.

Rather than streamlining the process for improving properties that fall below band E, we recommend that there should be more research and funding aimed at improving SAP, RdSAP and EPCs so that the assessment of these buildings is more accurate resulting in reliable energy efficiency measures that include work to existing building fabric as cited in BS 7913:2013.

23. Do you agree that the Government should set a trajectory of standards beyond 2018, and if so, how and when should this be done?

We do not believe that there should be a trajectory of standards beyond 2018. There are currently major barriers to the successful upgrade of traditional buildings to EPC bands E and above. These barriers primarily relate to gaps in knowledge and a lack of proper intelligent unbiased guidance. This leads onto the gap between predicted and real energy performance and unintended consequences which could in future create havoc in terms of building deterioration and the health and well-being of potentially millions of building occupiers. We strongly recommend that the standards do not move beyond a minimum band E until such a time when these issues are resolved.

Evidence-based research is required and the STBA's Green Wheel Retrofit guidance tool and knowledge centre provides the first step in the application of risk management towards energy efficiency retrofit. We recommend that using such a tool becomes mandatory.

DECC are currently funding research into the performance of solid walls and solid wall insulation and it is being undertaken by BRE Wales. We understand that this is already revealing significant unintended consequences as have other studies and earlier research by BRE. We fail to understand why SWI is the main focus for many of the grants and funding schemes that would support a trajectory of standards beyond a minimum band E when it carries so many risks.

There is increasing concern over solid walls and cavity walls. In a response from the Wales Low/Zero Carbon Hub (WLZCH) to the National Assembly for Wales Environment and Sustainability Committee EEF21 **Inquiry into Energy Efficiency and Fuel Poverty**: “3.5 Early improvement measures set in place by the UK Government such as the Energy Commitment initiatives have provided improvements, but reported issues have become more widespread as measures introduced in these schemes **were not always undertaken with the correct level of assessment or expertise. There are growing instances of cavity walls in Wales being insulated that if assessed using the British Standard should never have been undertaken due to the level of severe exposure in the west of the UK.** The issue of solid wall insulation, if not considered correctly, has the potential to replicate these problems and issues. **There are problems with the solid wall insulation industry, for example, there is no national standard for assessment, surveying or installation.** The cumulative effect of these shortcomings can result in properties which are of a construction type where only certain measures are applicable, or are not in a suitable state of repair or water tightness being selected for external wall insulation without due consideration. This can often be attributed to a lack of impartial and easy to understand guidance and the tools necessary to ascertain potential risk.”

Conclusion

- We recommend that the UK Government in the first place considers its own building regulations and the new British Standard BS 7913: 2013 for authoritative guidance and also look at the evidence behind real concerns about risks many of which have been highlighted above.
- We recommend that the UK Government provide a greater focus on the energy efficiency attributes of good repair and maintenance as sustainable means of energy efficiency as cited in BS 7913:2013, rather than the single track message of ‘measures’. The ‘measures’ should come second.
- We ask the UK Government to note that the continued use of unreliable methods of assessing energy performance will in this instance result in works which carry risk of causing dampness, thus underachieving the predicted energy savings and potentially put at risk the health of millions of home occupiers.