

The Building Regulations (Northern Ireland) 2012 (as amended) Public Consultation Document C.1

Consultation Proposals for amendment of Technical Booklet Guidance to Part F (Conservation of fuel and power)

This is a response to the consultation by the Department of Finance on proposals for amendment of Technical Booklet Guidance to Part F (Conservation of fuel and power).



Comments

CIH Northern Ireland welcome the opportunity to respond to consultation proposals for amendment of Technical Booklet Guidance to Part F (conservation of fuel and power). We welcome that action is being taken by the department at this stage given the immediacy of the problem. The impact that rising carbon emissions from our homes have in accelerating climate change is well-evidenced; domestic properties produce almost 15 per cent of the UK's carbon emissions by using solid fuels such as gas and oil for heating. We also recognise that our homes and how we live in them, is a key instrument in the race to net-zero and there is a willingness across the sector to work with government to make necessary changes to how we build domestic properties to achieve this. It is our view that Northern Ireland can and should be making strides that not only mirror changes in surrounding jurisdictions but also lead the way.

On behalf of our members, we want to convey to the department the importance of tenants and homeowners being at the centre of forthcoming changes around building new domestic properties and, although not directly relating to changes in building regulations, the retrofitting of existing stock, whether in the private or social market. Living a in warm and energy efficient home without burdensome costs is a fundamental right that should be available to everyone living in NI. From the outset, the relevant statutory departments and sectoral partners must work together to identify and subsequently mitigate any adverse policy impacts that relate to costly and complicated technologies that dissuade tenants from engaging with products they either can't afford to use or fail to understand how to use them. A joint report by CIH and Orbit Homes highlighted that customers already struggle with their heating and energy costs across the UK, therefore, any new plans to make

¹ Rethinking Social Housing: The Next Steps (2020) p. 11 Access: https://www.cih.org/media/c1llh25j/next-steps-northern-ireland.pdf



fabric changes to domestic properties or the installation of new technologies in homes, must reflect the already daily financial struggles of tenants.²

To date, new low carbon technologies in Northern Ireland, particularly in comparison to neighbouring jurisdictions, lack the demand required to produce and install these technologies at the pace and scale required. Therefore, we wish to take this opportunity to call on the department, working jointly with the Department for the Economy, in conjunction with the housing sector and NI construction industry to create the right supply and demand conditions within the market to ignite change, while also building public confidence in the necessity of these changes. Collaboration between the sector and beyond will be the only realistic way to stimulate the required economies of scale needed to make the uplifting of building regulations a success.

Skills

It is well understood within the housing and associated sectors that we must work to increase the necessary skills within the workforce that is required to achieve netzero homes in NI. There is an acute need for an increase in installers to retrofit existing buildings with energy efficiency and clean heat measures, as well as an increase in individuals trained to deliver new homes using modern methods of construction within the industry. This presents an opportunity to create new green jobs and apprenticeships; as the professional body for housing, CIH is willing to engage with the department on this element of workforce accreditation where necessary. It is our view that the investment return on upskilling and reskilling workers to help deliver nearly zero and net zero carbon homes would make a significant contribution to Northern Ireland PLC – as well as help grow the industry

² CIH and Orbit research. *Working with customers to make net zero carbon a reality*. p. 2. September 2021. Access: https://www.cih.org/media/ui3pcmu5/working-with-customers-to-make-net-zero-carbon-a-reality-orbit-and-cih-september-2021.pdf



in NI by attracting elements of the workforce that have in previously relocated to GB to find work in the construction and associated industries.

Funding

To ensure the following amendments to the building regulations are a fruitful starting point for achieving EPC A rating homes in Northern Ireland, there remains a need for appropriate funding mechanisms to be identified to ensure relative success across the sector that is at the very minimum commensurate to the investment made by landlords. This will include monies from all relevant statutory departments, as well as additional funding streams, such as Financial Transactions Capital for private investment and other avenues such as Disposals Proceeds Funds (DPF), together with the Voluntary Purchase Grant (VPG), that will become available with the ending of the House Sales Scheme (HSS) for housing associations. Consideration should also be gives to rates reductions where households are living in nearly zero or net zero homes, to offset the costs associated with buying new homes build to standard. As the only tax-raising powers available to us in NI is through the rising or reduction of the regional rate, we would agree that this is something that should be tested.

NIE limitations

Consideration will need to be given to the limited capacity of our electric grid to service an increased reliance on renewable technologies. Impending changes will present a challenge in terms of connecting new systems to the NIE grid on a large scale. Cross-departmental work must be undertaken to erase the conflict that currently exists between the reliance on electric as a fuel source and the network capabilities.

Do you agree that it is sensible to prioritise the proposed amendments to Technical Booklets F1 and F2 guidance in advance of awaiting outcomes



around the development of new UK NCMs, software and proposed building regulations uplifts?

Yes.

It is the view of CIH that the department must prioritise amendments to Technical Booklets F1 and F2 guidance in advance of awaiting outcomes around the development of new UK NCMs, software and proposed building regulations uplifts. We appreciate that any amendments, in the departments own words, will be a 'steppingstone' measure whilst we await the outcomes previously cited. It is our view that interim action is vital and is also in line with political commitments made, such as the Assembly's declaration of a climate emergency and commitments made the in the *New Decade*, *New Approach* agreement to restore power sharing in 2020.

Do you agree that additional manual checks of current software reports will be manageable in practice to demonstrate compliance in relation to the new requirements for:

- a) the betterment of the TER;
- b) an air-tightness performance no greater than 10 m3/(h.m2) at 50Pa; and c) new U-value limits for building fabric (see paragraph. 5.59 on this below)? Yes.

We agree that software implementation of SAP 2009 will produce the list of specifications and highlight those features of the design that are critical to achieving compliance and are also subject to additional manual checks. There is a concern among associated sectors that reliance on manual checks will cause difficulty due to a lack of resource to carry them out. The department must consider this and put appropriate mitigation in place to ensure that manual checks are not burdensome or present a high cost to developers.

Do you agree that the new guidance should apply from three months of publication of the guidance and from as early in 2022 as practicable?



Yes.

Once again, given the immediate need to implement critical changes, CIH is of the view that the uplift should be implemented in early 2022. However, to do this efficiently, it is important that communication with associated sectors, including the housing and construction sectors, takes place in the first instance. It is also vital that the funding mechanisms closely follow the application of new guidance to ensure regulations are followed to the highest possible standard. It is our understanding that a number of social landlords are already building to the standards proposed in this amendments and therefore, the transition in policy would cause no practical problems.

The department should also consider the implications for new social and private developments that have previously been granted planning permission or will have been granted planning permission by the time revised guidance becomes applicable to new domestic properties and explore what can been done to meet the challenges and additional costs that will come with having to rework plans to ensure they meet the new standards.

Do you agree that Option 1 should be dismissed?

Yes.

As described in the department's own, option 1 is a 'do nothing' proposal. It would leave us lagging behind neighbouring jurisdictions and should therefore be dismissed. As a professional body, we are concerned about the current skills gap that exists in Northern Ireland in regard to the implementation of lower carbon performance standards and option 1 would only serve to widen this gap.

Do you agree that the above proposals provide an appropriate interim step, which can be implemented quickly?

Yes.



It should be noted however, that in time building regulations will continue to evolve, therefore, we should reach for the maximum standard that is possible to avoid unnecessarily having to retrofit properties retrospectively and the cost associated with doing so.

Do you prefer Option 3 (40% betterment of the TER for houses, 25% for flats and 15% for new non-domestic buildings), or are the standards outlined in Option 2 (25% betterment of the TER for all dwellings and 15% for buildings other than dwellings) preferred?

Preference is for Option 3

Option 3 provides a more ambitious target and will require larger investment from industry, government and where appropriate, the tenant. However, the outcome will prove option 3 to be a cost effective investment that will provide greater carbon savings than that of option 2 which is as we see it, the primary aim of this uplift. The Department's modelling which estimates the costs to developers to be £2711/average dwelling house with annual energy bill savings of £205/year is an encouragement for tenants, particularly in the context of raising energy and fuel costs.

However, as previously stated, for option 3 to work as anticipated, pre-engagement with relevant sectors is vital if the department is to ensure adequate buy-in that will help bolster supply chains and start to see a closing of the skills gap. Albeit option 3 may present higher costs for developers, the return for tenants in reduced utility bills, as just one example, shows its value to the communities that we serve. In failing to implement, at the very minimum, option 3, developers will be storing up significant retrofit costs for tenants and landlords in the time ahead, as MEES will develop overtime and existing stock will need fabric adaptions to meet such standards. Notably a number of social landlords in Northern Ireland are already



building to this standard and act as a testament that the implementation of option 3, although not without difficulties, is workable for the industry.

Do you agree that the guidance revising the limiting U-values is worthwhile and workable for industry and enforcement?

Yes.

As it stands many developers are already working to revised U-values. It is our view that a fabric first approach allows industry to meet the revised guidance laid out by department.

Do you have any comment on our impact assessment and its key assumptions? Yes.

We note the preferred option, option 3, will deliver savings for consumers, although costs for developers may in cases be significant as amendments to regulations first come into effect. We would call on the NI Executive to consider considerable financial support for the construction industry, as a down payment to secure significant return. There will be expectation that the UK government will need to consider tax breaks for the industry to help facilitate these amendments in the first instance. It is also accepted that energy uplifts have not traditionally paid dividends for developers, however, in the context of significant rising fuel and energy costs, we believe consumers are more likely to be conscientious about purchasing and renting homes of a higher standard in relation to savings that can be made for households in this regard.

Rural Needs Assessment

We note and agree with the department's rural needs assessment that recognises the increased level of works needed in rural communities that are off the gas grid and reliant on carbon-intensive fuels. Works in these communities will likely be more



intensive and see a longer completion time, impacting individuals and families across rural communities.

Equality impact assessment

CIH agrees with the department's findings of their equality impact assessment and agree that the policy changes outlined in the proposed amendments will have a positive impact on all section 75 groups, particularly those with a disability which does or can lead to increased vulnerability to cold dwellings or high energy use. Similar is to be said about those with dependents, particularly in households where there is a caring role or families with young children who are impacted by rising fuel and energy costs; the implementation of such policies has the benefit of mitigating rising cases of fuel poverty in households across Northern Ireland.

In addition, we are content that the policy changes outlined <u>will not</u> have any adverse impacts in relation to human rights legislation.



About CIH

The Chartered Institute of Housing (CIH) is the independent voice for housing and the home of professional standards. Our goal is simple - to provide housing professionals and their organisations with the advice, support, and knowledge they need to be brilliant. CIH is a registered charity and not-for-profit organisation. This means that the money we make is put back into the organisation and funds the activities we carry out to support the housing sector. We have a diverse membership of people who work in both the public and private sectors, in 20 countries on five continents across the world. Further information is available at: www.cih.org.

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