

Report to the Council Housebuilding Cabinet Committee



**Epping Forest
District Council**

Report reference: CHB-012-2014/15
Date of meeting: 18 December 2014

Portfolio: Housing

Subject: Code for Sustainable Homes

Responsible Officer: P Pledger – Assistant Director (Housing Property & Development) (01992 564248)

Democratic Services: Jackie Leither (01992 564756)

Recommendations/Decisions Required:

1. That for all future phases of the Council House-building Programme, starting with the Phase 2 development at Burton Road, Loughton, the Council adopts Code 4 as its standard for sustainable design, based on a “Fabric First” approach until such time as the new Building Regulations are introduced in 2015, when the standards will be reviewed again.

Executive Summary:

The Council has adopted Code 3 of the Code for Sustainable Homes (The Code) as its standard for all future affordable homes as part of the Council’s House-building Programme, which is set out in the Council’s Development Strategy as adopted by the Cabinet in April 2013. However, at the request of the Safer, Greener and Transport Portfolio Holder in April 2014, and simultaneously the Government consulting on a set of revised Building Regulations, this report explores the design and cost implications of increasing this to Code 4 in the future.

Reasons for Proposed Decision:

This report has been prepared at the request of the Safer, Greener and Transport Portfolio Holder, and was supported by the Cabinet Committee at its meeting in April 2014. Additionally, it is anticipated that the Government will abolish the Code for Sustainable Homes and its measures incorporated within the Building Regulations when launched at some point during 2015.

Other Options for Action:

Not to adopt Code 4 and to continue to design to Code 3 until such time as the revised Building Regulations are launched and become mandatory later in 2015.

Report:

2. The Code for Sustainable Homes (The Code), a Government scheme that encourages sustainable design for any new housing development, became operational in April 2007. As part of the Council’s Development Strategy, the Council has adopted Code 3 as the standard for its future affordable homes programme. However, the Safer, Greener and Transport Portfolio Holder has asked that a report be considered on the possibility of

developing to Code 4, similar to the standard adopted by all inner London Authorities, to which the Council neighbours to the South. This was supported by the Cabinet Committee at its meeting in April 2014, however, it was agreed that Code 3 should continue to be the standard for Phase 1.

3. In the meantime, the Government has announced its intention to introduce, in around April 2015, a new set of Building Regulations, which will likely lead to the Code being abolished. The details of what can be expected in the new Building Regulations are still only at the consultation stage. However, the new Building Regulations are widely anticipated to be set at an equivalent standard as Code 4.

4. Anticipating the expected changes planned to the Building Regulations in 2015, Pellings LLP have produced a comparison report on the main differences between Code 3 and Code 4 as well as suggests an estimate of between £1,000 and £1,500 per property as the difference between the two Code levels. The full report by Pellings LLP can be found at appendix 1 of this report.

5. In view of the relatively low increased cost of meeting Code 4, and the fact the Building Regulations are almost certainly going to force a change to a standard equivalent to Code 4 at some point in 2015, it is recommended that for all future phases of the Council Housebuilding Programme, starting with the Phase 2 development at Burton Road, Loughton, the Council adopts Code 4 as the standard for sustainable design, based on a "Fabric First" approach until such time as the new Building Regulations are introduced in 2015, when the standards will need to be reviewed again.

Resource Implications:

The cost implication is estimated to be around £1,000 - £1,500 per dwelling, which equates to an additional £52,000 - £78,000 for Phase 2.

Legal and Governance Implications:

This move from Code 3 to Code 4 is anticipated to be adopted in the new Building Regulations in April 2015, when it will become mandatory for all new applications.

Safer, Cleaner and Greener Implications:

Improved energy efficiency, resulting in lower fuel bills for tenants and reduced Carbon Emissions for all new dwellings built by the Council

Consultation Undertaken:

None

Background Papers:

The reports and documents referred to in the list of appendices.

Risk Management:

Since the Building Regulations are likely to be introduced in April 2015, it is anticipated that the Code for Sustainable Homes will be abolished shortly thereafter. This change is in anticipation of what is likely to be mandatory in the future. However, there is a risk that these changes may not come about. In view of the social implications of likely future higher fuel costs, designing to a higher Code Standard is not only better for the environment but also addresses fuel poverty in the future.

Due Regard Record

This page shows **which groups of people are affected** by the subject of this report. It sets out **how they are affected** and how any **unlawful discrimination** they experience can be eliminated. It also includes information about how **access to the service(s)** subject to this report can be improved for the different groups of people; and how they can be assisted to **understand each other better** as a result of the subject of this report.

S149 Equality Act 2010 requires that due regard must be paid to this information when considering the subject of this report.

Within the Housing Service Strategy, it has been identified that the target groups that are affected by the Council's house building programme are people in need of:

- affordable housing,
- homelessness assistance,
- supported housing for special needs groups,
- owners and occupiers of poor condition housing
- council and housing association tenants.

From that, it was identified that generally, there is an under provision of suitable accommodation for nearly all target groups. This has been reaffirmed in the most recent Strategic Housing Market Assessment.

Decision making is affected by funding and other factors, such as the availability of building land suitable for particular groups e.g. the elderly or young families.

There is no evidence of unlawful discrimination in relation to the provision of affordable housing.