

WWF Response to *Homes for the future: more affordable, more sustainable*

Introduction

WWF welcomes the opportunity to respond to this Green Paper. WWF has extensive experience and knowledge of the housing sector, formerly through the work of our One Million Sustainable Homes (OMSH) campaign and recently through our One Planet Homes campaign, and our work to deliver exemplary ‘One Planet Living¹’ communities across the globe with our partners BioRegional.

WWF accepts that there is a need for more homes in the UK, particularly more affordable homes. However, we assert that it is absolutely essential that all new housing reaches the highest sustainability standards, not only in terms of environmental efficiencies but also in terms of excellent design and planning. These things should go hand in hand. Sustainable design is simply good design; that which will be lasting, sensitive to its surroundings and the wider environment and from which people derive pleasure.

We must ensure that this programme – acknowledged as the biggest home building programme for a generation – is not simply about building homes, it must create vibrant communities (as well as regenerating and improving existing ones), offering safe, healthy and attractive places where people want to move to, and stay.

Quality sustainable communities

WWF welcomes the Government’s commitment to ensuring that quality is not sacrificed in the name of quantity and we fully endorse the view that getting the design of homes right can improve the environment and reduce our carbon and ecological footprints. Last December, WWF warmly welcomed the introduction of the Code for Sustainable Homes (CSH) and the 2016 zero carbon commitment. However this consultation states that 2 million new homes will be needed and built before 2016 (as well as a further million zero carbon homes by 2020).

WWF has always accepted that the industry needs time to adapt to stretching new standards, which is why we have consistently supported the timetable of revision of the building regulations to 2016. However with the new housing projections outlined in this consultation, we believe it is essential that the following measures are put in place to drive innovation in the industry, ahead of regulation:

- A mandatory rating against the Code for all new homes in 2008 (we are responding separately to the current consultation on this measure);

¹ One Planet Living® is a joint initiative of WWF and BioRegional based on 10 guiding principles of sustainability. The vision of One Planet Living is a world in which people everywhere can lead happy, healthy lives within their fair share of the Earth’s resources.

- A strong PPS on Climate Change (Supplement to PPS1) which mandates that local planning authorities (LPAs) should require a minimum of 10% renewable energy on sites, unless there are very strong reasons why this cannot be achieved (e.g. a site location)²;
- Strategic and Local Planning Authorities must also be strongly encouraged to set higher standards through the Code at the regional and local level through planning documents, particularly in growth areas and where significant development is taking place;
- Guidance and tools for planners and developers on taking a holistic approach to community infrastructure delivery – such as the CLG/WWF/BRE Regional Sustainability Checklists for Developments³. This tool is specifically designed (in consultation with planners and developers) to facilitate better planning decisions for sustainable communities.
- An extensive programme to address the performance of existing homes.

Often in the development industry, sustainability is portrayed as a barrier to affordability, and therefore a barrier to greater and more secure supply. WWF firmly believes that SPAs and LPAs requiring higher standards (such as CSH levels and 10% renewables) will send a clear signal to the market to invest in new design methods and technologies, and will ultimately bring down costs. The ‘Merton rule’ is already working in over 150 boroughs without being a barrier to development or entailing high costs.

Indeed, the ambitious housing targets set out in the consultation bring greater opportunities for economies of scale, for sharing innovation and best practice, and for delivery of the best quality housing and communities. We are aware through our conversations with the industry as part of our sustainability benchmarking study – NextGeneration – that many developers are already rising to the challenge of delivering higher standards more quickly. A flagship scheme by Crest Nicholson and BioRegional Quintain in Brighton is aiming for zero carbon standards, and the Berkeley Group in their ‘Hamptons’ development have achieved a 20% improvement in carbon emissions over Part L⁴

Eco-towns

WWF broadly welcomes the concept of Eco-towns as an opportunity to explore best practice in low and zero carbon development, and better infrastructure. However; we are concerned by the assertion that these will be “entirely new towns” (p27) of between 5,000 - 20,000 homes. WWF firmly believes that it is vital that any new development is fully integrated with existing communities – thereby strengthening those communities and improving their environmental performance and access to local amenities. To separate out eco-towns will risk creating ‘eco-ghettoes’ where the benefits will only be felt by those living in the eco-town and no one else. This will do little towards mainstreaming sustainable lifestyles. The positive attributes of sustainable communities must be made accessible to all those in the local area.

One suggestion raised by the Green Building Council, which WWF supports, is that Government should consider the possibility of revised Planning Gain Supplement (PGS) which directly benefits existing communities in the area by upgrading their energy efficiency.

Furthermore, planning experience from recent decades shows that it is very difficult to create brand new towns which function as socially and economically cohesive communities. Successful communities evolve over time, building on and developing existing social structures and networks. Building entirely new towns with no connection to existing communities is out of step with current development planning best practice, and risks undermining the complex structures that enable our urban centres to function

² WWF and other organisations have submitted a statement to Government outlining our views on the so-called ‘Merton Rule’. A copy can be found in Appendix 1

³ For more information please visit - www.sustainability-checklist.co.uk

⁴ Outlined in the NextGeneration benchmarking report, October 2007

effectively. An environmentally efficient community or town which does not function socially or economically will be of little use to anyone.

‘Carrots and sticks’ for development

WWF supports the planning system as the key to delivering sustainable communities. We understand the need for LPAs to identify enough sites for development and to provide a decision on planning permission in a fair and timely way, as well as over-coming unfounded ‘NIMBY’⁵ objections to development. We are, however, concerned by the proposal to incentivise high levels of housing delivery and sites for Planning through a new Housing and Planning Delivery Grant (HPDG). We believe this could have adverse impacts on the quality of planning decisions, and therefore the quality of development.

WWF believes that any HPDG must be linked not just to numbers, but to the delivery of **high quality** housing – for example that which meets Code Level 3 or above, or for larger developments those that have reached a high standard against the WWF/BRE/DCLG Sustainability Checklist for Developments. Linked incentives could be offered to the developer for meeting higher standards, in the form of a smoother and more rapid passage through the planning system.

WWF also supports the notion that existing communities would be far more likely to accept new development if they could see it was of a high quality in terms of design and build, and is supported by proper infrastructure. Many local fears around new development centre not on the loss of land, but on the impact of new houses in a town without the provision of new infrastructure and services to support them, putting strain on local resources. WWF acknowledges that the Green Paper stresses that all new communities must be supported with infrastructure, and we heartily endorse this assertion. New developments must be located and be of a sufficient density to support local shops, public transport and schools, enhancing existing infrastructure where appropriate.

WWF supports the introduction of the Planning Gain Supplement to help support infrastructure development, and the assertion that SPAs and LPAs should have lead responsibility for coordinating and driving forward infrastructure delivery.

WWF also supports the notion of developers losing planning permission if they fail to demonstrate that development has properly commenced within a certain timeframe after achieving planning permission, in order to speed up delivery and prevent ‘land-banking’.

Existing homes

WWF believes that more attention must be given to addressing existing homes in the Housing Green Paper. There is no debate on the importance of addressing existing housing stock in terms of tackling the UK’s carbon emissions. Housing accounts for over a quarter of all carbon emissions in the UK and even with increased home building, homes built after 2007 are unlikely to account for more than a third of total housing stock by 2050.⁶

WWF has consistently argued that while it is vitally important that we address the performance of new build, to ensure that it does not add to the high carbon emissions levels already generated by housing, it is arguably more important to tackle existing stock which represents around 99% of the UK’s housing stock.

Energy demand in the housing sector grew 17.5% from 1990 to 2003 – higher than the 7.5% growth for the economy as a whole during the same period. According to the Environmental Change Institute, since

⁵ Not in my back yard’ – people who are implacably anti-development

⁶CLG, 2007, *New Inquiry and Call for Evidence, Existing Housing Stock and Climate Change*

1970, energy use per household has changed very little but because of a 30%⁷ growth in household numbers (due to, for example, an increase in single person households) overall energy consumption has increased by 32%. The main areas of energy demand are space heating, accounting for 60% of energy use, followed by hot water heating (25%) and lighting and appliances (15%). In the last thirty years gains in energy efficiency have been offset by an increase in thermal comfort levels and an increase in electricity for lights and appliances.⁸

Central Government has a very significant role to play in terms of setting the regulatory framework for delivering improvements in existing housing, and setting in place the national policy to deliver increasingly higher standards, and providing funding for awareness and support programmes to back this up.

WWF welcomed the commitment in the *Housing Act 2004* that by 2010 the general level of energy efficiency of residential accommodation in England would be increased by at least 20% compared with the general level of such energy efficiency in 2000. We further welcomed the Government's recent commitment that all homes should be 'low carbon' within 10 years. We feel this is setting a challenging but realistic target for greater energy efficiency in this sector. However, unlike in Germany, where the Chancellor has committed that 5% of the housing stock be improved year on year, and set in place policy measures to enable it⁹, the UK Government has so far failed to outline how it intends to achieve the goal.

WWF was deeply disappointed that during the last review of the building regulations (Part L), the Government withdrew a proposal for 'consequential improvements' to be required in existing homes when people increased the carbon footprint of their home (for example by building a conservatory). This was in spite of the fact that the majority of respondents were in favour of the measure. WWF would urge Government to reinstate this proposal in the next review of Part L, and implement it in 2010. This is a vital measure to rein in future incremental growth of the carbon footprint of our existing stock, and will help close a blatant environmental loophole.

As well as regulatory measures, central Government must also offer national fiscal incentives and support LAs in the delivery of local rebates. For example the recent stamp duty land tax exemption for new zero carbon homes could be extended to existing homes when people undertake to improve on their home's EPC within a certain time after moving in. However, it should be noted that the zero carbon definition being employed for this exemption for new homes is unnecessarily restrictive and should be aligned with more realistic targets, as set out in the Code for Sustainable Homes. WWF has responded separately to HMRC's informal consultation on the zero carbon stamp duty land tax relief.

Other financial incentives should include the provision of long-term loans attached to a home, to be paid back over a period of say, 25 years, to enable extensive renovation work to be undertaken. This could be provided in partnership with mortgage companies.

Central Government should also invest more in greater support services for energy efficiency. Currently Energy Efficiency Advice Centres are available but not many people know about them, and anecdotal evidence suggests that some information provided by them can be too generalised (i.e. not house

⁷⁷ CLG, 2007, *Eco-towns Prospectus*

⁸ Environmental Change Institute, 2007, <http://www.40percent.org.uk/40-percent-research/introduction/>

⁹ The German Government has said it intends to quadruple the annual budget for encouraging energy efficiency from €360m (£240m) a year to €1.5bn (£1bn) a year. Interestingly, it has also switched from financing loans to funding direct subsidies because it believes that direct fiscal incentives are more likely to have an impact. The Environmental Audit Committee, March 2006,

<http://www.publications.parliament.uk/pa/cm200506/cmselect/cmenvaud/779/77907.htm>

specific). The Government needs to better understand the factors which motivate people to take environmental actions.

The Government should also invest heavily in extending the Low Carbon Buildings Programme to offer grants for appropriate community and household renewables. Furthermore, Government needs to roll out an information service relating to this Programme to bolster public awareness and confidence in the scheme.

WWF maintains that however successful we are in reducing carbon emissions, the UK needs a comprehensive strategy for adapting to the effects of climate change, some of which we have already experienced. Among the most significant predicted impacts of climate change in the UK will be reductions in precipitation in certain regions, and this will place increased pressure on our already stretched domestic water supplies. Significant progress has been made in considering improved water efficiency in new housing. The challenge now lies in reducing water use in the existing housing stock.

The UK lags significantly behind other European countries in addressing water efficiency. In the UK, each person uses on average 150 – 180 litres per day. However, as a result of determined action, countries such as Germany have been able to reduce this to 125. We must follow their example.

In 2006, WWF was part of a coalition of organisations (between them representing over 6 million people) who published the Blueprint for Water.¹⁰ The Blueprint set out a clear plan to achieve sustainable water management in England and Wales. Among these were steps to address water efficiency in existing housing.

WWF believes the Government should publish plans to install a water meter in every home. The WWF report,¹¹ included as part of this response, has made a strong case for the installation of water meters. More than 90 studies of international experience and UK trials have unambiguously demonstrated that introducing metering and increasing block tariffs would lead to a sustained reduction in demand of at least 10%, with reductions of up to 30% in peak (summer) demand, when water availability is at its lowest. Meters can be accompanied by tariffs that protect vulnerable customers and penalise wasteful use.

WWF recommends that DCLG should introduce mandatory high water-efficient standards for fixtures and fittings to be installed in existing homes. The Government must also give strong guidance to OFWAT to approve water company investment in fitting water-efficient devices and appliances into existing homes. WWF understands that consumers must be empowered and incentivised to use water more efficiently by a combination of standards set by the Government and corresponding services and products provided by businesses and the water industry.

Greener Homes

As stated, WWF welcomes the Government's commitment to zero carbon homes by 2016 and the proposed interim revisions to Part L of the building regulations in 2010 and 2013. WWF also fully supports the statement that water use in buildings needs to be reduced to maintain an acceptable and sustainable balance of demand and supply. For this reason we are delighted that the Government has decided to set a whole building performance standard for new homes of 125l/p/d and we believe this

¹⁰ www.blueprintforwater.org.uk

¹¹ *Waste Not, Want Not – Sustainable Water Tariffs* - http://www.wwf.org.uk/filelibrary/pdf/water_tariffs_report01.pdf

standard should be reviewed (perhaps in 2010 and 2013 alongside the Part L improvements) and improved as new water saving technologies become available.

We are also very supportive of the need to review the Water Supply (Water Fittings) Regulations 1999 to ensure they provide improvements in the efficiency of all water fittings, and the need to look in the new water strategy at further measures (such as compulsory metering) in areas of water stress.

Affordability

WWF supports the call for a greater number of affordable homes as outlined in the Green Paper. In defining affordability however, it is vital to consider long-term affordability for residents in terms of their fuel and water costs. Greater investment now in efficient buildings will protect the vulnerable people in society who are least able to afford escalating utility costs.

Delivery

WWF supports the need for greater investment in skills. Evidence has shown that shoddy workmanship onsite can drastically undermine increased regulatory efficiency standards. Furthermore, poorly performing planning departments can make bad decisions that have consequences for generations to come. The Government must therefore ensure that all those involved in the development process are highly trained and skilled, and support the recruitment of top graduates into relevant professions.

Conclusion

The Green Paper clearly recognises that we are about to unleash a scale of home building not seen for a generation. Whilst WWF welcomes the Government's intentions and commitments outlined in the Green Paper in terms of investment in infrastructure and good quality homes and not repeating the mistakes of the past, we believe that there is a serious risk that these aspirations could be undermined in the drive to build more homes, more quickly.

Badly planned and executed house building programmes can cause scars on society for generations, as seen with some post-war developments which have failed and are now having to be demolished and rebuilt. Failure to deliver on all three aspects of sustainability – environment, society and economy – will have serious and lasting consequences. The Government must not be held to ransom by those in the industry who claim they cannot deliver numbers if also required to meet high standards. Instead it must challenge the industry to deliver quality homes, and lay the groundwork for sustainable homes and communities that the UK can be proud of for generations to come.