

Title: Future Homes Standard Consultation – Warwick District Council
Response

Lead Officer: Dave Barber dave.barber@warwickdc.gov.uk

Portfolio Holder: Councillor James Kennedy

Wards of the District directly affected: All

Approvals required	Date	Name
Portfolio Holder	2/2/24	James Kennedy
Finance	12/2/24	Andrew Rollins
Legal Services		N/A
Chief Executive	12/2/24	Chris Elliott
Director of Climate Change	12/2/24	Dave Barer
Head of Service(s)		N/A
Section 151 Officer	12/2/24	Andrew Rollins
Monitoring Officer	12/2/24	Graham Leach
Leadership Co-ordination Group	19.2.24	
Final decision by this Committee or rec to another Cttee / Council?	Yes	
Contrary to Policy / Budget framework?	No	
Does this report contain exempt info/Confidential? If so, which paragraph(s)?	No	
Does this report relate to a key decision (referred to in the Cabinet Forward Plan)?	Yes, Forward Plan item 1421	
Accessibility Checked?	Yes	

Summary

The Government has signalled an intention to introduce the Future Homes Standard in 2025. In preparation for they have issued a consultation which close on 6th March 2024. This report sets out Warwick District Council's recommended response to the consultation.

Recommendation(s)

- (1) That the response to the Department for Levelling Up, Housing and Communities' Future Homes and Building Standards: 2023 Consultation as set out in Appendix 1 be agreed.
 - (2) That Cabinet notes that, following consultation with the Leadership Coordinating Group, the Programme Director for Climate Change has signed the letter set out in Appendix 2 on behalf of the Council.
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1 Reasons for the Recommendation

- 1.1 The government is seeking to improve energy efficiency and to reduce the carbon emissions of new homes and non-domestic buildings introducing the Future Homes Standard. Energy efficiency requirements for new homes and non-domestic buildings are set by Part L (Conservation of Fuel and Power) and Part 6 of the Building Regulations 2010 ("the Building Regulations"). This consultation sets out the Government's plans for achieving the Future Homes Standard and Future Buildings Standard, including the technical proposals for changes to the Building Regulations, the associated Approved Document guidance and calculation methods.
- 1.2 A summary of the main proposals in this consultation is provided below:
 - 1.2.1 **New buildings:** Setting the performance requirements at a level which ensures new homes and non-domestic buildings have high fabric standards, use low-carbon heating and are 'zero-carbon ready' (meaning no further work will be needed for them to have zero carbon emissions once the electricity grid has fully decarbonised). Importantly we present options to reduce running costs, while maintaining thermal comfort, balanced against build costs.
 - 1.2.2 **Metrics:** Retaining existing metrics for use in the national calculation methodologies as these effectively support our policy priorities for the Future Homes and Future Buildings Standards. We therefore propose that using the current metrics remains optimal for use in the national calculation methodologies. These metrics cover the most important aspects of building performance, but also do not excessively inhibit design flexibility for developers, designers and architects.
 - 1.2.3 **Guidance on fabric and fixed building services:** Improvements to the minimum standards for fixed building services and on-site electricity generation. We also propose improving the guidance and minimum standards for heat losses from building services which directly support the installation of 'zero-carbon ready' technologies. This includes new guidance for the installation of smart meters (please see Section 10 (Smart Meters)). We do

not propose to change the minimum building fabric standards for homes, provided through the Approved Document guidance, compared to the Part L 2021 standards. This is because we believe that the 2021 fabric minimum standards provide a good basis for the Future Homes and Buildings Standards.

- 1.2.4 **Material change of use:** Seeking views on improved standards for dwellings created through material change of use. These dwellings contribute to our housing supply and affordable housing objectives but can perform less well relative to new build homes. These changes intend to protect consumers from high bills and reduce emissions as far as practicable.
- 1.2.5 **Real-world performance of homes:** Gathering evidence around 2 proposed measures to improve building performance in new homes against expected energy use: fabric performance testing and improving Home User Guides. Also proposing changes to Approved Document L, Volume 1: Dwellings and Approved Document F, Volume 1: Dwellings to improve the commissioning of fixed building services in new and existing homes. Ensuring that buildings and building services perform as designed will help to lower energy bills, improve housing quality and increase consumer confidence in new homes.
- 1.2.6 **Heat networks:** Supporting the expansion of cleaner heat networks. New homes and non-domestic buildings can be connected to existing heat networks, but they should uphold the performance requirements outlined in this consultation. This means that heat networks should produce sufficient clean heat to heat new homes and non-domestic buildings added to the network. At a minimum, the heat required by any additional homes or buildings connected to an existing heat network should match the low-carbon heat generation capacity of the network.
- 1.2.7 **Accounting for exceptional circumstances:** Changes to the regulations permitting local authorities to relax or dispense the energy efficiency requirements in cases where they judge that being required to fully meet the standards would be unreasonable. This is in recognition of the fact that as the energy efficiency requirements we set for new buildings become stricter the chances that a small number of buildings legitimately cannot be designed to meet them increases.
- 1.2.8 **Legislative changes to the energy efficiency requirements in the Building Regulations:** Changes to the Building Regulations to repeal redundant regulations and to reflect that reducing carbon emissions is a central aim of the Future Homes and Buildings Standards.
- 1.2.9 **Review of our approach to setting standards:** For domestic buildings, the government is separately consulting on the new 'Home Energy Model' (HEM), which will replace the Standard Assessment Procedure (SAP) for the energy rating of new homes. This consultation and associated documents are linked below.
- 1.2.10 Alongside this, for domestic buildings we are consulting on improvements to our current 'notional building' approach to setting energy efficiency requirements. This includes reviewing changes to standardised assumptions,

heat pump sizing methodologies, weather, buildings containing multiple dwellings, secondary heating, window and door U-value calculations and thermal bridging.

- 1.2.11 For non-domestic buildings, a number of improvements and updates are proposed to the National Calculation Methodology used to assess building performance in non-domestic buildings. The National Calculation Methodology is implemented through both commercially produced Dynamic Simulation Models (DSMs) and the Simplified Building Energy Model (SBEM).
- 1.2.12 **Transitional arrangements:** We are consulting on 2 options for transitional arrangements, comprising a 6-month or up to 12-month period between the Future Homes and Buildings Standard legislation being laid (in 2024) and it coming into force (in 2025), followed by a 12-month transitional period. These transitional arrangements are intended to allow industry sufficient time to adapt whilst also driving forward progress towards our 2050 net zero target. We are also consulting on closing previous arrangements.
- 1.2.13 **Overheating (call for evidence):** Seeking evidence on implementation of the Part O building regulation introduced in 2021 to reduce overheating in new homes, and intent to extend this standard to homes created through conversions.
- 1.3 The consultation closes at midnight on 6th March 2024. Given this is only a matter of hours after the Cabinet meeting to consider WDC's response to the consultation, officers will prepare an online response in line with Appendix 1 in advance and ready for submission ahead of the midnight deadline and will amend the response prior to submission, should that be required. In the event that this report is subsequently "called in", WDC will be able to withdraw or amend its response if required.
- 1.4 The Good Homes Alliance and Bioregional have prepared a letter in response to the Future Homes Standard consultation. This letter is broadly consistent with the responses set out in Appendix 1. However, the letter adds some additional points which the closed nature of the consultation form shown in Appendix did not provide space for. As timescales meant that the letter had to be signed prior to the Cabinet meeting, it was agreed at the LCG meeting on 19th February that the Council should sign the letter and that this would be retrospectively noted by the Cabinet.

2 Alternative Options

- 2.1 WDC could choose not to respond to the consultation. However, as building energy is a high priority within the Corporate Strategy it is considered important that WDC makes representations to encourage the Government to bring in the highest possible standards.
- 2.2 WDC could make different responses to any of the 95 questions, including those which have not been addressed. However, the responses have been prepared to ensure alignment with the Corporate Strategy and the Net Zero Carbon Development Plan Document. They have also drawn on technical research and advice.

3 Legal Implications

3.1 There are no legal implications associated with this report

4 Financial Services

4.1 There are no financial implications relating to this report

5 Corporate Strategy

5.1 Each proposed decision should set out how the report contributes to the delivery of these strategic aims. If it does not contribute to these aims or has a negative effect on them the report should explain why that is the case.

5.2 Delivering valued, sustainable services – the Future Homes Standard will be delivered through Building Regulations. The consultation proposed significant changes to Building Regulations which will require the Building Control to review its technical knowledge and capacity to ensure it can deliver the new requirements whilst continuing to provide high quality, highly valued services to customers in the context of competition from private sector approved inspectors.

5.3 Low cost, low carbon energy across the district – the Future Homes Standard is broadly consistent with the Council’s Strategic Priority to reduce energy costs and carbon emissions. However, the Standard has significant limitations as proposed and so the response set out in Appendix 1 seeks to encourage the Government to be more ambitious in its approach to the Future Homes Standard.

5.4 Creating vibrant, safe and healthy communities of the future – As set out in 9.1 the Council’s response seeks to improve the built-performance of homes and thereby enhance the potential for better health and wellbeing of occupants.

6 Environmental/Climate Change Implications

6.1 In parallel with the Corporate Strategy, the Climate Change Action Programme seeks to reduce carbon emissions from buildings within the District by addressing building energy. As set out in paragraph 5.2 above, this report seeks to encourage the Government to be more ambitious.

7 Analysis of the effects on Equality

7.1 In preparing their Future Homes Standard proposals, the Government are consulting on the impact of the proposals on people with the protected characteristics. The consultation seeks feedback about this and commits that the consultation responses will be analysed and the final proposals will be amended to include mitigating measures. Should the government take on WDC’s responses as set out in Appendix 1, these changes will need to be considered by the government in light of the Equalities Act 2010.

8 Data Protection

8.1 There are no data protection issues associated with this report.

9 Health and Wellbeing

9.1 The Future Homes Standard seeks to improve energy efficiency and reduce carbon emissions. Energy efficiency homes have the potential to be warmer and less costly to run. The Future Homes Standard could support improved health and wellbeing. However, it is important the Future Homes Standard delivers on the ground in a way that fulfils its ambitions. To that end WDC’s response set out in appendix 1 seeks to improve the built-performance of homes and thereby enhance the potential for better health and wellbeing of occupants.

10 Risk Assessment

- 10.1 The most significant risk relating to the Future Homes Standard is that it will be implemented in a way that fails to deliver the building performance that its ambition suggests. If that were to be the case, the Future Homes Standard could undermine WDC's ambition to deliver consistently better new homes and buildings through the planning and building and control systems. To mitigate this risk, it is important the WDC respond to the consultation to seek improvements to the proposals.

Background papers:

DLUHC Future Homes Standard Consultation 2023: [The Future Homes and Buildings Standards: 2023 consultation - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/the-future-homes-and-buildings-standards-2023-consultation)