

1st August 2003

Barker Review Team
1 Horse Guards Rd
London
SW1A 2HQ

Also by e-mail to: consultation@barkerreview.org.uk

Dear Sir/Madam,

Barker Review of Housing Supply

Please find attached the response by the Energy Saving Trust to the above consultation.

You will see that we believe the provision of energy efficient and sustainable housing is a means of developing a more responsive housing market, where there is greater customer awareness of quality issues, with greater market differentiation and transparency.

Please feel free to get in touch if you would like to discuss these issues in more depth.

Yours faithfully,

Zoltan Zavody
Policy Development

BARKER REVIEW OF HOUSING SUPPLY

Response by the Energy Saving Trust

August 2003

This is the response by the Energy Saving Trust to the consultation document “Barker Review of Housing Supply” issued in June 2003. This response should not be taken as representing the views of individual EST members.

Summary

The Energy Saving Trust believes that any review of housing markets and housing policy should take account of wider sustainability issues, in particular the Energy White Paper and the Government’s goal of reducing carbon dioxide emissions by 60% by 2050. From the perspective of energy efficiency, we believe that:

- Energy efficiency in housing can be used as a means of differentiating the market, and helping householders and prospective purchasers understand the difference between good and poor quality housing.
- Houses built using modern construction methods can in general be completed more quickly and more efficiently than those built using traditional techniques and materials. Such houses can also be more sustainable and more energy efficient.
- Clear planning laws and guidance, that reflect the Government’s national environmental and other goals, should reduce the need for time consuming negotiations and iterations under the planning approval process.

Our Interest

The Energy Saving Trust is the lead organisation for promoting energy efficiency to households within the UK. Energy efficiency has social benefits (alleviating fuel poverty), environmental benefits (tackling climate change) and economic benefits (saving money for the householder, and for the nation as a whole). Domestic energy efficiency is key to achieving Government’s Fuel Poverty and Climate Change targets, with energy use in homes accounting for 28½% of total energy consumption in the UK.

EST runs a variety of Government funded programmes, including: a national marketing campaign (“Energy Efficiency”); the UK-wide network of Energy Efficiency Advice Centres (EEACs); a variety of support programmes aimed at local authorities; and the Housing Best Practice programme. A housing market that facilitates the adoption of energy efficiency measures, and reflects the benefits of energy efficiency, would clearly be desirable.

This response addresses issues in the order set out by the Barker review.

Land Constraints

Whilst it may be true that land is increasingly difficult to come by for housing developers, there are sound environmental and social reasons why brownfield sites should be favoured for new developments. We believe it is up to developers to come up with innovative, high-density developments that are consistent with the principles of sustainable development.

There are already good examples of sustainable communities such as Bedzed in Merton, South London, which are high density in terms of land use, and which have excellent environmental and energy efficiency standards. In addition, the emphasis on a sustainable community at Bedzed has meant that the properties are sold immediately at market value and have a waiting list of some 5,000 people. There is a need for support programmes to help more developers build to the principles adopted by Bedzed.

Industry Constraints

The review suggests a number of industry constraints. From an energy efficiency perspective, we are concerned at the suggestion that the economies of scale are not sufficient in the UK to make off-site production techniques a viable option.

In order to achieve continually improving standards, it is inevitable that new techniques and new products should be adopted. The stronger the market and regulatory pull, the more quickly industry capacity will develop to meet the demand. Therefore, there is a need to encourage and require higher standards, rather than assume that industry cannot deliver.

It is also important to remember that, whilst industry may need to gear up in order to deliver using modern construction methods, the resulting construction time and process efficiencies are far improved. This will lead to a smoother delivery mechanism, which in turn will result in a more responsive and flexible market. If industry is given a clear indication of the direction of future Building Regulations, it will have time to improve standards as part of the business development cycle.

A good example of what can be done to build industry capacity is that of the heating installer trade. Further to the Government announcement earlier this year of introducing higher boiler standards in the 2005 Building Regulations, an installer training course has been rapidly developed with the participation of a variety of stakeholders (training bodies, industry, gas safety body, Energy Saving Trust, and others). This is being piloted over the summer of 2003, with roll-out in the autumn, and the initiative is expected to more than double the number of gas and oil heating installers trained each year.

Policy Environment

We believe there is a problem with the interpretation of planning guidance. For instance, very often local authorities may wish to support energy efficient developments in their area, but their planning departments will be concerned about non-compliance with planning requirements, or with being seen to be overly prescriptive. There is a need for greater clarity in planning guidance, to ensure that Government's wider sustainability and environmental goals are fully incorporated.

Social Housing and the Rental Sector

We believe there is a fundamental lack of awareness among consumers and many in the industry over what constitutes a good quality, healthy, home. As a result, developers are often able to build and sell second rate homes, and there is very little market differentiation. – House prices depend mainly on location, rather than on quality of build, or on long-term maintenance costs for the occupant and owner, or sadly, on the internal environment, which can impact on the occupant's health.

The draft Housing Bill proposes the introduction of a Home Information Pack, including a Home Condition Report with an energy efficiency labelling scheme. We believe this will begin to help open consumer's eyes to the issues around the quality of housing, and thereby help create a more transparent and healthy housing market.

