



SHAP Market Research Report

The provision of advice to Housing Associations and Private Developers, and the barriers to incorporating sustainable energy measures in housing new build and refurbishment

Executive Summary

The Sustainable Housing Action Programme (SHAP) market research on which this report is based, had three main aims:

1. Highlight the existing levels of advice on sustainable energy being provided through Energy Saving Trust programmes to Housing Associations and Private Developers
2. Explore the barriers to incorporating sustainable energy measures in new dwellings
3. Research statutory duties that are in force, pending, or for which there is a body support, in order to identify pathways through which minimum sustainable energy standards could be enforced

The key findings are as follows:

1. An increasing number of housing associations in the West Midlands are joining regional or sub-regional partnerships, and accessing advice and support from local and national Energy Saving Trust programmes or those offered by related organisations and professional bodies such as National Housing Federation and the Chartered Institute of Housing. The drive to be involved in sustainable energy projects is also demonstrated in the number and variety of best practice case studies contained in the SHAP case study and resource database, produced in November 2005.

However, private developers operating in the region do not yet appear to be seeking information or support on sustainable energy technologies, other than what is provided through professional bodies or trade associations. This may be due to lack of knowledge of the support available, or because Energy Saving Trust programmes have to date, focused support at local authority or housing association partners, with targets for improving the energy efficiency or thermal comfort of homes. However, with their being no legislative (or in many cases) local requirements for private developers to build new homes which incorporate sustainable energy measures above Building Regulation standard, there also exists no commercial advantage.

2. At present, new build developments by housing associations are the main route through which best practice in high specification energy efficiency and renewable energy technologies are being incorporated into regional new build housing projects. The drivers behind these best practice projects are often legislation and funding based, with the Decent Homes Standard providing a platform and capital funding requirements of the Housing Corporation providing an incentive.

However, there are also regional examples of housing associations integrating environmental sustainability into internal policy and housing management (South Shropshire HA, Black Country HA) above and beyond that required by government. Some have also founded exemplar sustainable energy projects. These exemplar projects and organisations are providing a regional platform from which others are keen to learn. However, improved access to funding, greater corporate commitment and education and training of staff and tenants will be essential to their more widespread implementation.

Whilst smaller in number, private developers are beginning to engage in the sustainable energy in new housing agenda. However their driving force is government or landowner minimum requirements. Private developers are driven by competition and end user demand, so until a significant commercial advantage in investing in sustainable energy technologies is demonstrated, end user demand for energy efficient homes increases, or minimum standards are raised, it will prove difficult to encourage more widespread private developer investment in such technologies.

3. Local authorities have a number of opportunities within their remit, through which sustainable energy standards can be required. Few local authorities in the UK, and not one in the West Midlands, are taking advantage of their planning policy power to require standards above Building Regulations in all new dwellings, although some others routes are being utilised. Routes available include:
 - Adopting a planning policy that requires minimum renewable energy on-site generation e.g. London Borough of Merton
 - Requiring a higher than minimum standard as part of the Section 106 Agreement with a developer
 - Requiring a higher than minimum requirement on the sale of all local authority owned land e.g. similar to the minimum EcoHomes rating required by English Partnerships
 - Requiring higher than minimum standards in all new housing Design Briefs

A number of central government and national movements are currently underway to raise the energy efficiency standards of new buildings, for example the Code for Sustainable Homes and Climate Change and Sustainable Energy Bill. This increasing pressure from National government provides a platform from which to demonstrate the importance of local and regional planning policy sustainable energy targets, and the expertise of exemplar councils should be used as a means to engage at the local authority level.

This research report will inform the planning of a workshop, which will take place February 2006, and focus on the routes through which sustainable energy best practice can be imposed through regional and local planning and development activities. It will also form part of the final report on the Sustainable Housing Action Programme, to be produced in March 2006.