FOUR OPPORTUNITIES FOR THE NEXT GOVERNMENT



Renewing the places we live, work and play is the biggest opportunity for an incoming government to tackle the crises facing the country - from soaring energy, housing and health costs, to left behind and vulnerable communities, and climate and nature breakdown.

The next government can build a better future for Britain, in partnership with the built environment industry, with decisive action across these four areas.

1 MAKE HOME UPGRADES AN EASY CHOICE

Britain's homes are largely poorly insulated and expensive to heat with climate wrecking gas and oil. People want cheaper bills, comfortable homes they are proud of, and the chance to do their bit in the face of the climate emergency.

A 10-year £64 billion upgrade programme.

Energy saving stamp duty incentive.

Raise the quality of privately rented homes.

Scale-up local capacity and skills.

2 MAKE NEW DEVELOPMENTS HIGH QUALITY, WELL-CONNECTED AND GREEN

New developments are often seen as controversial and delayed by planning disputes. People need new homes and buildings to be high quality, affordable and genuinely low carbon. They should protect nature and be built in the right places.

Put nature & climate at the core of planning.

Stronger sustainable buildings standards.

Restrict embodied carbon emissions.

Regulate to protect and restore nature.

3 PROTECT OUR COMMUNITIES FROM CLIMATE RISKS

Much of the country now faces frequent flooding, overheating and water shortages, leaving people homeless and buildings uninsurable. Investing in upgrading our buildings, trees & green spaces will make our neighbourhoods more resilient & attractive.

Prioritise nature-based solutions.

Increase urban tree cover.

Invest in resilient retrofits.

A robust national climate safety plan.

4 RENEW OUR TOWN CENTRES

Our town centres are struggling. We can breathe new life into them by upgrading our offices, shops, schools and hospitals to be energy efficient and low carbon and by repurposing under-used buildings.

Raise energy performance standards.

Modernise Landlord and Tenant Act.

Tax incentives for small businesses.

High standards for repurposed buildings



The UK Green Building Council represents some of the UK's biggest names in the built environment. It is a charity supported by more than 700 members including, banks, large estate owners, housebuilders, and manufacturers to innovative startups, universities, local councils and government departments - all working to transform the built environment in the face of the climate, nature and cost-of-living crises.

FOUR OPPORTUNITIES FOR THE NEXT GOVERNMENT



UKGBC's policy platform 'Building Britain's Future' sets out 4 key opportunities for the next government to tackle the crises facing our country by renewing and greening the built environment.

This briefing explores the first opportunity and the game-changing policies urgently needed.

1. MAKE HOME UPDGRADES AN EASY CHOICE

WHAT'S THE OPPORTUNITY?

People want cheaper bills, comfortable homes to be proud of and to do their bit in the face of the climate emergency. But Britain's homes are still poorly insulated and expensive to heat with climate-wrecking gas and oil, **leaving 1 in 5 households in fuel poverty** and tens of thousands of people in poor health.

It should be affordable for everyone to live in an energy efficient, healthy home, with cheaper bills powered by clean energy, and resilient to more extreme weather.

Done well, a national programme to upgrade homes can attract billions in private investment and pay dividends to the Treasury, as well as providing skilled jobs in every community. It would also save the country billions on decarbonising the electricity grid by decentralising and reducing demand for energy.





CURRENT POLICIES

There is no national vision or comprehensive strategy to upgrade all the UK's homes. The Government has provided some funds for social housing, households in fuel poverty, and for heat pumps, but it is nowhere near the scale needed.

Over a quarter of renters live in fuel poverty, but policies supporting them to retrofit are not working. And there is little policy to encourage and support the majority of households – owners-occupiers – to upgrade their homes.

National funding for local authorities and social housing providers to deliver home upgrades is overly bureaucratic, unpredictable, and small scale. **Stop-start funding and policies have undermined industry confidence to invest**, skill up and scale up. The resulting bottleneck also makes delivery of immediate term retrofit works more expensive and lower quality.

260 BN COST OF ELECTRICITY GRID



CUT IN YEARLY ENERGY BILLS

CO² SAVING OF

24 MILLIONPASSENGER VEHICLES
PER YEAR

WE'RE CALLING FOR:



A 10-YEAR £64 BILLION HOME UPGRADE PROGRAMME

A high-profile commitment from the top of government to a 10-year programme to upgrade the nation's homes with measures such as insulation and low carbon heating.

This should include **£64** billion government investment to help fund low-income households and social housing, a national information service, skills training and local authority capacity-building, as well as stimulation of the private market through tax incentives for owner occupiers, and higher minimum standards for private rented homes.

AN ENERGY SAVING STAMP DUTY

To encourage millions of homeowners to invest in home upgrades, the housing market needs to value energy performance. Modernising **'Stamp Duty Land Tax'** so rates are dependent on the energy performance of the house would kick start this modest but influential shift in market value.

A **'rebate to renovate' reward**, with enhanced rebate for low-income households, would incentivise homeowners to act. This would drive a sustainable market for insulation, heat pumps and solar panels.



Energy efficiency is the best way to bring energy bills down, but landlords currently have little incentive to invest. The next government should require landlords to achieve an **Energy Performance Certificate** (EPC) rating of C by 2030.

This would reduce the risk of arrears for landlords and increase the value of improved property.

Adjustments to tax deductions and rental contracts can help incentivise landlords to act and protect tenants.

SUPPORT TO SCALE UP LOCAL CAPACITY AND SKILLS

The next government should give local governments the devolved powers, responsibility, and resources they need to play a major role in the delivery of a nationwide home upgrade programme.

This should start with **fixing the broken grants schemes**, scaling them up with more predictable funding.

Dedicated funding for **skilled retrofit officers in each counci**l would transform capacity to develop local plans, attract wider investment, engage with households and supply chains, and oversee local 'one stop shop' retrofit services.



- <u>Visit our website</u>, a central hub for the general election and beyond.
- Read our 4 point policy platform '<u>Building Britain's</u>
 <u>Future</u>' and our other policy guides.
- Contact us at <u>policy@ukgbc.org.</u>

- National Retrofit Investment Calculator
- Energy Saving Stamp Duty Incentive guide
- Local Area Retrofit Toolkit
- The Whole Life Carbon Roadmap
- Regnerative Places Programme







UKGBC's policy platform 'Building Britain's Future' sets out 4 key opportunities for the next government to tackle the crises facing our country by renewing and greening the built environment.

This briefing explores the second opportunity and the game-changing policies urgently needed.

2. MAKE NEW DEVELOPMENTS HIGH QUALITY, WELL CONNECTED AND GREEN

WHAT'S THE OPPORTUNITY?

The next government is set to oversee the development of new homes and buildings across the country. We have a chance to do things differently. Every development could be part of the solution to the cost of living, climate and nature crises, not a driver of the problem.

New developments could be more sustainable with ever-better access to public services, transport and green spaces, and meet people's expectations for modern features such as solar panels and low energy demand to make them cheaper to run. Reduced and decentralised energy demand will also be key to decarbonising the wider energy system.

1 in 10 tonnes of UK carbon emissions are 'embodied' in construction. Tackling these is a huge opportunity to make faster progress on climate targets.





CURRENT POLICIES

The **planning system is inconsistent and unpredictable** in the way it treats climate and nature, giving some high-carbon developments the go-ahead and blocking other low-carbon projects. This causes delay and conflict.

Current national building regulations are outdated. The **draft Future Homes and Buildings Standards are weaker than standards already set by some local councils** and could leave households and businesses with higher energy bills and large carbon footprints. It would also result in a national multibillion-pound bill for an oversized electricity grid.

The huge 'embodied' carbon emissions from construction are almost completely unregulated with no government strategy to address them.

The new 10% Biodiversity Net Gain requirement for new developments is an important advance, but doesn't go far enough. Government action is needed to reduce the impact of the UK construction industry on global ecosystems.

200,000+

BUILDINGS ARE CONSTRUCTED IN THE UK EACH YEAR

1 IN 10
TONNES OF UK
EMISSIONS ARE
FROM EMBODIED
CARBON

WE'RE CALLING FOR:





NATURE AND CLIMATE AT THE **CORE OF PLANNING**

The next government should modernise the planning system to place strong and predictable climate and nature protection at its core, in line with the UK's legally binding Climate Change and Environment Acts.

This will facilitate high-quality sustainable developments and give developers and local authorities the certainty they need to invest and plan for the transition to a net zero economy. This consistency will help cut costs while unlocking low carbon projects.



STRONGER SUSTAINABLE **BUILDINGS STANDARD**

The strongest versions of the current draft Future Homes and Buildings Standards should be quickly followed by a framework for more ambitious voluntary building standards to support those local authorities and developers which want to go further.

Following this, a further standard should be introduced improving energy efficiency and requiring 'in-use' performance measurement to cut bills and carbon, support the low-carbon electricity grid, and ensure quality.



RESTRICTED EMBODIED **CARBON EMISSIONS**

The next government should require developers to measure and report wholelife carbon emissions, and introduce legal limits on embodied carbon.

These emissions should also be reduced through new mechanisms to encourage the reuse of existing buildings and assets instead of demolition and rebuild.

Existing buildings should be valued as social and economic assets to be re-imagined and repurposed for community needs.

REGULATION TO PROTECT AND **RESTORE NATURE**

Nature-rich, and a new designation of 'nature recovery', areas should be protected from development, regardless of their status as brown, green or 'grey' belt.

The next government should **build on the** success of 10% Biodiversity Net Gain for new developments, increasing this to 20% the minimum needed to stem overall habitat loss.

The material resource extraction associated with construction often results in devasting impacts on ecosystems worldwide. The government should consult on and regulate these 'embodied ecological impacts.'



- Visit our website, a central hub for the general election and beyond.
- Read our 4 point policy platform 'Building Britain's Future' and our other policy guides.
- Contact us at policy@ukgbc.org.

- **The Whole Life Carbon Roadmap**
- **Future Homes and Buildings Standard Response**
- **Biodiversity Net Gain**
- **New Homes Policy Playbook**
- **The Nature Recovery Playbook**



FOUR OPPORTUNITIES FOR THE NEXT GOVERNMENT



UKGBC's policy platform 'Building Britain's Future' sets out 4 key opportunities for the next government to tackle the crises facing our country by renewing and greening the built environment.

This briefing explores the third opportunity and the game-changing policies urgently needed.

3. PROTECT OUR COMMUNITIES FROM CLIMATE RISKS

WHAT'S THE OPPORTUNITY?

Our climate is changing rapidly and dangerously. **Every part of the UK is threatened by more frequent extreme weather** events caused by hotter, drier summers and wetter, windier winters. People are concerned about what the future holds.

The next government has an opportunity to reassure and protect people with a coherent vision for how we're going to adapt as a country. In doing so they can harness the power of nature, with tree-lined streets, urban parks, and green roofs for flood and overheating protection, which will also reduce air pollution and boost mental and physical health, reducing pressure on the NHS.

Acting now will avoid greater disruption and costs for the economy and property owners, including through stranded assets.





CURRENT POLICIES

Despite the gravity of the issue, the Government's **National Adaptation Programme (NAP3)** lacks leadership, urgency, funding, and oversight. It doesn't have clear targets or metrics for progress, making it difficult for local governments and industry to get behind the effort.

Every planning decision is an opportunity to improve climate resilience and harness the power of nature, but adaptation currently doesn't have legal priority over other considerations in planning policies.

Tree cover reduces overheating and flash flooding, but is sparse in most urban areas with limited national policies to support increased planting.

There is no strategic plan to retrofit the UK's existing homes and commercial buildings for greater resilience to extreme temperatures and flooding, or with improved water efficiencies.



OVER 3,000
PEOPLE DIED FROM
THE 2022 HEATWAVE

3°C AIR TEMPERATURE REDUCTION FROM URBAN TREES

WE'RE CALLING FOR:





A ROBUST NATIONAL CLIMATE SAFETY PLAN

The next government must prioritise climate resilience and put it at the centre of government decision-making with clear ministerial responsibility and cross government coordination. The post-election Spending Review should announce a stepchange in funding.

An **urgent refresh of the National Adaptation Programme** should set out a high-level vision with clear targets and metrics, so it is meaningful to organisations seeking to understand what role they need to play as part of a wider national effort.



The next government must update the planning system to centre adaptation and resilient measures which prioritise the use of nature to protect against climate risks. They should **consult on a national Urban Greening Factor (UGF),** a planning tool to increase quantity and quality of green infrastructure and nature in urban areas.

These will enhance neighbourhoods' resilience to climate impacts, increase biodiversity, and allow local communities to adapt in a sustainable and healthy way.



INCREASED URBAN TREE COVER

The next government should throw its support behind the '3-30-300 rule'. This means 3 trees visible from every home, 30% canopy cover in each neighbourhood, and everyone just 300 metres from a biodiverse park or green space.

This means supporting local authorities to increase tree cover from an average of 16% to a minimum of 25% by 2030, **improving wellbeing, microclimate, air quality and health**, as well as mitigating flood and heat risk.

INVESTMENT IN RESILIENT RETROFITS

The next government should include climate resilience measures as part of a new national home retrofit strategy.

Government funding for adaptation measures such as fans and blinds, flood barriers, and external shutters will be needed for low-income households as part of a wider **£64bn** government funded national retrofit programme over 10 years (see opportunity one).



- <u>Visit our website</u>, a central hub for the general election and beyond.
- Read our 4 point policy platform 'Building Britain's Future' and our other policy guides.
- Contact us at <u>policy@ukgbc.org.</u>

- UKGBC's NAP3 Policy Scorecard
- Climate Resilience Roadmap
- Biodiversity Net Gain
- The Nature Recovery & Climate Resilience Playbook for local authorities







UKGBC's policy platform 'Building Britain's Future' sets out 4 key opportunities for the next government to tackle the crises facing our country by renewing and greening the built environment.

This briefing explores the fourth opportunity and the game-changing policies urgently needed.

4. RENEW OUR TOWN CENTRES

WHAT'S THE OPPORTUNITY?

Our town centres could be hubs of the community which bring people together in vibrant, healthy and sustainable places. But far too many areas across the country are in decline with empty premises and uncared-for spaces.

We have a chance to **breathe new life into our town centres** by upgrading commercial and public buildings and repurposing under-used spaces. Improved energy efficiency and low-carbon measures will help make commercial and public buildings healthy, vibrant and enjoyable to use. Empty and under-used buildings can be restored, repurposed and adapted for new uses, to make our local neighbourhoods more attractive with community at the core.

This is an opportunity for the incoming government to create places where communities can thrive, and people love living and visiting.





CURRENT POLICIES

The Government's strategy to regenerate high streets through **the Towns Fund has not worked**, with less than 20% of projects completed and plans shelved or stalled.

The lack of clarity around how and when minimum energy efficiency standards for large commercial buildings may kick in, is leading to uncertainty among tenants.

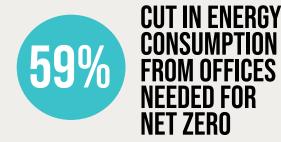
Tenants and small businesses have minimal support to implement energy efficiency and low-carbon measures. This has led to hesitancy or delayed investment into the sustainable, healthy solutions needed for buildings like offices, shops, and warehouses.

The public estate – our schools, hospitals and government buildings - now receive more investment for sustainability, but not on the scale needed.

Current regulations for properties undergoing material change of use, or repurposed under permitted development rights, have various loopholes which result in terrible outcomes in terms of build quality and consequent health of occupants.

1 IN 7 HIGH STREET SPACES WERE VACANT

1.5M
NON-DOMESTIC
BUILDINGS IN THE UK



WE'RE CALLING FOR:





HIGHER ENERGY PERFORMANCE STANDARDS FOR COMMERCIAL BUILDINGS

The next government should act to bring large commercial buildings to an Energy Performance Certificate B rating, or equivalent, up from the current minimum standard of E, in line with the 2021 Government consultation.

This should be accompanied by a mandated in-use performance-based rating system to ensure **installations of efficiency and low carbon heating measures** are actually effective.



The next government should **reform the Landlord and Tenant Act** to require new business leases to include 'green lease clauses' which ensure owners and occupiers collaborate on environmental and social upgrades, distributing the responsibilities and benefits.

The Act should also **enable quick and easy lease renewal** to ensure spaces aren't left empty, and are instead attractive to shops, businesses, and services enjoyed by communities.



TAX INCENTIVES FOR SMALLER BUSINESSES

Modernising Stamp Duty Land Tax to reflect the energy performance of commercial premises would help kick start a market shift – especially in the small business sector - to better value investments in insulation and low carbon heating.

The next government should **reform business rates to support smaller businesses** with less capital to take up vacant units and improve the energy performance of buildings they rent.

HIGHER STANDARDS FOR REPURPOSED BUILDINGS

The next government should reform planning rules to **prioritise reuse of existing buildings** and update the VAT framework, which currently favours new build. This will encourage regeneration of existing properties and avoid wasted high street buildings. Regulations should **ensure high standards for buildings undergoing change of use**, reversing the current trend to deregulation.

This regeneration approach will breathe new life into our town centres whilst maintaining their heritage value, creating places which are meaningful to communities, healthy, and sustainable.



GET INVOLVED

- <u>Visit our website</u>, a central hub for the general election and beyond.
- Read our 4 point policy platform '<u>Building Britain's</u>
 <u>Future</u>' and our other policy guides.
- Contact us at <u>policy@ukgbc.org.</u>

- Building the Case for Net Zero: Retrofitting Office Buildings
- Local Area Retrofit Accelerator Toolkit
- Regenerative Places Programme
- BUILD UPON Framework

