

The voice of our sustainable  
built environment



# 100 days into Government

## How Labour can build a better future



This report, marking 100 days in office for the new Government, shines a spotlight on how Labour can turn the big decisions ahead on new developments, upgrading the country's cold damp homes, and renewing our high streets into a legacy that puts us on track to tackle the climate, nature and cost of living crises.

**Written by Louise Hutchins  
Kirsty Girvan  
Scarlet Healy  
Marguerite Ohan  
Emily Kent**



# Contents

---

1. Foreword
2. Summary: Reasons for optimism, the pivotal decisions ahead will succeed or fail on climate ambition
3. Introduction
4. Making home upgrades an easy choice
5. Making new developments high quality, well-connected and green
6. Protecting our communities from climate risks
7. Renewing our town centres, with upgrade commercial and public buildings
8. Climate Leadership
9. Conclusion
10. Acknowledgements

The UK Green Building Council is a charity supported by hundreds of organisational members to champion a nationwide renewal of the places we live, work and play in the face of the interlinked climate, nature and cost of living crises. We harness a huge range of expertise from some of the country's most ambitious large and small businesses, universities, local authorities and government departments to accelerate action.

# 1. Foreword

---

**“100 days in, and the pivotal decisions about the future of our built environment still lie ahead.**

**Small policy and investment adjustments won't be enough. From fixing the planning system and new build standards to upgrading the country's draughty homes and workplaces, success or failure, public support or opposition, will rest on bold decisions in line with the climate science.”**

---

*With a fresh start and a mandate for change, renewing and greening our homes and buildings, schools, hospitals, offices and high streets is one of the biggest opportunities this Government has to tackle the cost of living crisis and build a better future for Britain.*

*Our buildings are the UK's second-largest source of climate emissions, after surface transport, and are ill-prepared for the increasingly violent floods and overheating*

*already in train. Extraction of natural resources for construction is a big driver of the destruction of the natural world. For these reasons, national action is urgent to upgrade the places we live, work and play and to ensure new developments are genuinely sustainable.*

*It's encouraging to see the new Government accelerating green reforms in its first few months in power and adopting a strong narrative of climate ambition at home and abroad. But the big decisions about the future of our built environment lie ahead.*

*Small policy and investment adjustments won't be enough. From fixing the planning system and new build standards to upgrading the country's draughty homes and workplaces, success or failure, public support or opposition, will rest on bold decisions in line with the climate science.*

*With a new Net Zero Buildings Strategy confirmed for after the Comprehensive Spending Review concludes in the spring, the Government should feel emboldened to be ambitious. It will have the backing of a large swathe of the built environment industry - from the banks, large estate*

*owners, housebuilders, and manufacturers to innovative startups, universities and many local councils that we bring together in our membership.*

*With a new approach to partnership with industry, the Government can harness a huge array of skills, experience, investment and innovation. It can avoid repeating past policy failures, and take inspiration from cutting-edge progress in British industry and around the world where improvements in towns and cities, homes and workplaces, are rapidly improving lives and reducing their pressure on the desperately fragile climate and natural world.*

*We hope the report is useful in holding a mirror up to the Government - recognising the good progress made in certain areas so far, and crystallising the big decisions needed ahead.*



**Simon McWhirter**  
UKGBC Deputy CEO and Director of External Affairs

## 2. Summary: Reasons for optimism, but the pivotal decisions ahead will succeed or fail on climate ambition

---

In this report, we've assessed the new Labour Government's action against the policy platform we set out ahead of the election which called for decisive action in five areas - making home upgrades an easy choice, making new developments high quality, well-connected and green, protecting our communities from climate risks, renewing our town centres with upgraded commercial and public buildings, and climate leadership.

Our policy platform and the analysis for this report are drawn from the best ideas across industry, including from our seminal industry-backed Net Zero Whole Life Carbon Roadmap to decarbonise the UK built environment.

Labour won a landslide election victory on the promise of 'change' and on the issue of climate leadership, Keir Starmer's team has wasted no time getting stuck into the green agenda it has made a priority, including tackling Britain's high-carbon homes and buildings.

The new Government has been quick out of the blocks with GB Energy, unblocking

masses of solar and wind projects, it has chosen not to defend licenses for Rosebank gas exploitation and withdrawn support for a new coal mine. Foreign Secretary, David Lammy and Energy and Climate Secretary, Ed Miliband have announced an aspiration for this Government to become a global climate leader.

On upgrading our homes, a new Renters Reform Bill already rushing through Parliament will give renters, too often in cold damp homes, some new rights against unscrupulous landlords. A recent flurry of announcements confirmed the promise of higher energy performance standards for all rented homes by 2030. And the mess of social housing and local authority grant schemes is set to be sorted with new re-booted replacements.

**But the elephant in the room is that without a shift in Treasury support for upgrading our nation of cold homes - treating them as a national infrastructure priority, the Government's ambition to reduce**

**heating bills, deliver a clean electricity grid by 2030, and meet climate commitments, will remain out of reach.**

Regarding new developments, Ed Miliband's early speech announcing a "solar revolution" bodes well for the forthcoming decision about whether on-site renewables will become the norm with new building Standards. A comprehensive net zero building strategy is being prepared for the spring. So far, encouraging

The litmus test, however, will be on how green the big decisions are going forward.

For planning reform, the stakes are high. Get it right and we could see a new era of clean electricity, affordable low-carbon homes where they're needed, and large strategic areas to protect and restore nature. Get it wrong and we could destroy what's left of the country's natural habitats, exceed our legally binding carbon budgets, deliver poor quality homes, and see a nation up in arms.

Every single planning decision needs to help, not hinder, our response to the climate and nature emergencies, as well as the cost-of-living crisis. **That means the Government will need to sign into law the position they voted for repeatedly before the election, put pen to paper and wed planning reform to the Climate Change Act in law to head off a quagmire of uncertainty, delays and controversy.**

The Government did well to consult early on its new National Planning Policy Framework including a new 'Grey Belt' designation. This will need to be tightened up significantly to avoid a wave of controversial and environmentally-damaging development. The King's Speech included a new Planning and Infrastructure Bill in Parliament expected in the coming months. In Opposition, the Labour Party repeatedly tabled amendments to Michael Gove's Levelling Up and Regeneration Bill, voting to give climate legal priority in the planning system by introducing a new 'purpose' to deliver on the Climate Change Act. Writing this into law would be the single most effective act the Government could take to remove uncertainty and conflict from the planning system.

On public investment, both Keir Starmer and Rachel Reeves doubled down on their downbeat 'fiscal responsibility' and 'tough decisions' narrative at September's Labour Party conference. The decision to withdraw Winter Fuel Payments from many pensioners wasn't the start most people were looking for, particularly given that there is no possibility of an emergency home insulation scheme which could protect this large group this winter, or even over the next.

Chancellor Reeves did say that under her leadership the Treasury would start recognising the benefits of public investment, not just the outlay.

This is somewhat encouraging because upgrading and decarbonising our homes and buildings should be seen as a national infrastructure priority, and much higher levels of public investment are needed than those already committed if we are to make significant progress on tackling energy bills and shifting home heating away from gas.

Our National Retrofit Investment Calculator shows sums needed are much closer to Labour's previous commitment to £60bn over 10 years than the current £6.6bn over 5 years. Such public investment, alongside private and household investment, incentivised through tax changes like

moving energy bill levies from electricity, would deliver vast year-on-year benefits to health, climate, electricity grid costs, and skilled jobs. Industry and communities will be keenly anticipating the Autumn Budget in a couple of weeks and the spring Comprehensive Spending Review, looking for fair, green and long-term signals.

Renewing and greening the places we live, work and play in a way that is fair and enjoys democratic support would be an extraordinary legacy for Keir Starmer and the Party as part of their mission for national renewal. The benefits would be felt by every household and business, on every high street and in every community.

But that will take coherence, clarity and consistency. Coherence with a long-term national transition plan towards a sustainable economy with a strategy for the built environment at its centre. Clarity on a number of key decisions left pending by the last government. And consistency, so when the going gets tough politically, industry and communities have confidence that the new Government will stay the course towards delivering on climate, nature commitments and restoring living standards. We're heartened that 100 days in, there are reasons to be optimistic but most of the pivotal decisions lie ahead.

### 3. Introduction

---

The UK Green Building Council has produced this 100-day report of the incoming Labour Government to give the Government itself, parliamentarians, industry, local authorities, journalists and the country more widely, an early sense of whether the first decisions, tone and announcements on the built environment set the country on track to meet climate, nature and cost of living commitments. And to point to the big decisions needed over the next period and how the Government can get them right.

Rapid progress couldn't be more important. Our largely gas-heated homes and buildings are the UK's second-largest source of climate emissions after surface transport and it is undeniable that the construction industry is a huge contributor to the breakdown of nature.<sup>1</sup> With time running out to keep global temperatures to 1.5 degrees warming and prevent nature's collapse, a laser-like focus on the policies needed to renew and green our homes and buildings, towns and cities, is essential.

As our previous government scorecard<sup>2</sup> and numerous Climate Change Committee and Environmental Audit Committee reports have demonstrated, devastatingly little progress has been made over the last period. A new government is an opportunity to do things differently, to raise ambition, and to work more closely with the industry needed to deliver real change at scale in the fastest time possible.

For the analysis, we have tracked every relevant government announcement, decision and legislative step, as well as the Labour Party's manifesto commitments. We have compared these to the policy platform that UKGBC set out ahead of the election calling for decisive action in five areas –, making home upgrades an easy choice, making new developments high quality, well-connected and green, protecting our communities from climate risks, renewing our town centres, and climate leadership<sup>3</sup>. Progress on four key policies has been assessed in each of these areas. This isn't an exhaustive list of policies we would like to see, but highlights the ones our members see as game-changing.

Our policy platform was based in large part on UKGBC's seminal industry-backed Net Zero Whole-life Carbon Roadmap to Decarbonise the Built Environment<sup>4</sup> which sets out the trajectory of decarbonisation and action plans for government and every sector within industry.

---

<sup>1</sup> [Roadmaps to Nature Positive Foundations for the Built Environment System](#) - World Business Council for Sustainable Development (2023)

<sup>2</sup> [Decarbonising the built environment: Government policy scorecard](#) - UKGBC (2022)

<sup>3</sup> [Policy Platform: Building Britain's Future](#) - UKGBC (2024)

<sup>4</sup> [Net Zero Whole Life Carbon Roadmap](#) - UKGBC (2021)

Our policy platform and the analysis for this report has also been drawn extensively from our members and our network of allies across industry and civil society who have worked with us over recent months to co-create detailed positions on issues as wide-ranging as new build standards, the investment needed to retrofit existing homes, the regulation needed to upgrade commercial buildings, the regulation needed to phase down embodied carbon emissions, how to get planning reform right, and how to protect our homes, businesses and public buildings from impending floods and overheating.

We are grateful in particular for expert review, ideas and analysis from across our Policy Advocacy Taskforce made of experts from across our membership, and for the generous funding support of UKGBC's Policy Advocacy Project Partners, our Organisational Partners, our Advancing Net Zero and Nature and Resilience Programme Partners and our Building Life 2 funders. They are listed at the end of the report.


For each of our 18 policy recommendations, we have given a score from 0 to 4 to give a sense of alignment and progress based on what might reasonably have been achieved within 100 days. It is worth noting that 100 days is a very short period in government, so we wouldn't expect progress in all areas already. A score of 4 doesn't suggest we have seen the full action needed to align our built environment with 1.5 degrees, for climate resilience or to fully restore nature in a way that seems fair. We have used the following criteria:

- 0/4** Not yet mentioned by the Government nor apparent departmental work.
- 1/4** The civil service is developing policy options more in line with our Policy Platform.
- 2/4** Government commitments represent important progress but are not yet in line with our Policy Platform.
- 3/4** Government commitments are in line with our Policy Platform with some steps taken.
- 4/4** Government commitments are in line with our Policy Platform and significant action taken

## 4. Making home upgrades an easy choice

People want affordable 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 <sup>5</sup>and tens of thousands of people in poor health<sup>6</sup>. But home insulation efforts stalled under the previous government. 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.

The new Government has announced important moves to fix Britain’s cold damp homes with its manifesto commitment to double the funding from the previous administration, some renter protections already being brought into law, fixes to the mess of existing government grant schemes for local authorities and social housing extended funding for heat pump grants. The details of a full Warm Homes strategy are promised for after the spring Spending Review. Drawing on industry expertise and significantly scaled-up funding over time will be key to getting this right. Without much larger public investment, the poorest households will lose out and the pace of demand for insulation and heat pumps won’t be enough to scale up industry investment and skills. Our Climate Change Act commitments will remain out of reach.

UKGBC policy proposal	Government policies and announcements	UKGBC assessment and recommendations
<p><b>A 10-year £64 billion home upgrade strategy</b></p> <p>A high-profile commitment from the top of government to a 10-year strategy to</p>	<p>Increased investment of £6.6 billion to upgrade homes over the next parliament, doubling the existing</p>	<div style="display: flex; align-items: center; justify-content: space-between;">  <span data-bbox="1980 1070 2018 1098"><b>2/4</b></span> </div> <p>We are encouraged that details of a Warm Homes Plan and wider Net Zero Buildings strategy will be published after the Comprehensive</p>

<sup>5</sup> [Fuel Poverty in the UK](#) - UK Parliament (House of Commons Library) (2024)

<sup>6</sup> [Millions spend winter in cold, damp homes](#) - End Fuel Poverty (2023)



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.

Regulation for meters to be installed with low- and zero carbon technology systems – in both existing and new build homes – would show if they are working to plan or not, building customer confidence and driving up industry skills.

Moving climate and social levies off electricity bills to reduce the running costs of cleaner heat.

planned government investment<sup>7</sup>.

The Warm Homes Plan has a target of upgrading 5 million homes by 2030 through devolved grants and low-interest loans in partnership with combined authorities<sup>8</sup>.

Minister Miatta Fahnbulleh confirmed in the House that the Government “will set out the full details of our Warm Homes Plan, and the approach to Net Zero Buildings more broadly, after the completion of the Spending Review Process”<sup>9</sup>.

The Government released the next wave of guidance for homes and public sector decarbonisation schemes, with a revamped ‘Warm Homes: Local Grant’. They have also updated the underfunded Social Housing Decarbonisation Fund with a

Spending Review in spring. We have long called for a comprehensive long-term National Retrofit Strategy and for a complete re-think of the last government's Heat and Buildings Strategy.

A ten-year Warm Homes strategy is needed setting out a vision and comprehensive approach to bringing improvement to everyone's homes and energy bills. It can mark an end to the stop-start policies and funding that have undermined industry confidence to invest, skill up and scale up.

The details of this strategy should be coordinated with local governments, industry, and stakeholders, and include a national retrofit training and skills strategy to rapidly scale up and meet emerging demand. The strategy should also include measures to protect households from extreme heat and flooding.

As part of this strategy, Labour's manifesto commitment to double investment in warm homes compared the previous government is a significant advance and is likely to make a real difference to local authority and social housing provider-led schemes. We hope Rachel Reeves will confirm this funding commitment in the October budget.

Our analysis shows however, this sum will fall far short of the critical task of decarbonising our housing stock and protecting vulnerable households from fuel poverty, illness and crisis, and is insufficient to scale up industry efforts. Crucially, high demand from inefficient homes will also add billions of pounds and years to the task of delivering a clean electricity grid.

UKGBC's National Retrofit Investment Calculator<sup>10</sup> shows that investment more in line with Labour's previous commitment is needed. £64bn over

<sup>7</sup> [Labour Party Manifesto](#) - p. 56, Labour Party (2024)

<sup>8</sup> [Labour Party Manifesto](#) - p. 56, Labour Party (2024)

<sup>9</sup> [Written questions, answers and statements: Energy: Housing \(Questions for Energy Security and Net Zero](#) - UK Parliament (2024)

<sup>10</sup> [National Retrofit Investment Calculator](#) - UKGBC (2023)

An update to the Energy Performance Certificate (EPC) system.

new Warm Homes: Social Housing Fund.

We await confirmation of overall funding levels allocated by the Treasury at the 30<sup>th</sup> October Budget.

The Government has authorised Ofgem to over-allocate vouchers for heat pumps by up to £50 million in this financial year, bringing the total to £200 million to avoid a shortfall as uptake of the Boiler Upgrade Scheme accelerated.

The Government has said it is reviewing EPCs and that this is being done alongside policy development for minimum standards for privately rented homes.

10 years would bring huge benefits to home energy bills, public health, electricity grid costs and long-term quality jobs. It is also necessary to meet the UK Climate Change Act commitments. This should be complemented by a suite of policies to encourage around £94bn private co-investment over the same period, returning around £77bn to the Treasury. A change in tack is needed from the Treasury at spring's Comprehensive Spending Review.

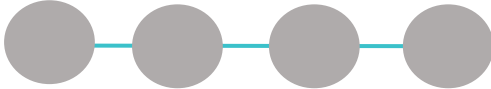
The Department of Energy Security and Net Zero has done well to make some urgent decisions quickly ahead of the wider Warm Homes Plan in the spring.

The Warm Homes: Local Grant represents a significant improvement on previous funding schemes. The Government have listened to concerns and simplified applications and distributions. The dual cap for heating and insulation means average investment per home will increase, while increasing the threshold for eligibility could unlock large-scale retrofit programmes in low-income communities.

The extended funding scheme for social housing 'Warm Homes: Social Housing' will be integral to transforming the energy efficiency of social housing across England.

The boost to the Boiler Upgrade scheme is also very welcome and addresses industry concerns that the fund may have run dry creating a cliff edge of demand.

As gas prices are set to increase again over the winter, we hope the Government will move quickly to confirm the introduction of the Clean Heat Market Mechanism to grow the market for heat pumps even further, reducing households' exposure to volatility in international gas markets. It should ignore any potential calls from the gas boiler industry to delay or scrap the policy.

		<p>Updating the EPC system is also urgent and we hope to see progress this winter. Changes should include improving the quality of assessments, recognising the benefit of electric heating, and showing households the actual energy performance of homes, not just modelled performance.</p>
<p><b>Warm Homes stamp duty incentive</b></p> <p>To encourage millions of homeowners to invest in home upgrades, the housing market needs to value energy performance.</p> <p>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.</p> <p>A rebate for improvements, with enhanced rebate for low-income households, would incentivise homeowners to act. This would drive a sustainable market for low- and zero technologies, such</p>	<p>No announcements or commitments.</p>	<div style="text-align: right;"><b>0/4</b></div>  <p>With committed direct government investment much lower than previously announced by Labour in Opposition, it will be even more important to encourage millions of homeowners to invest their own money in home upgrades. This will only happen at scale if the housing market values energy performance in the way it does new kitchens, windows or bathrooms.</p> <p>Modernising 'Stamp Duty Land Tax' with a new 'Warm Homes: Stamp Duty' so that rates are dependent on the energy performance of the house would kick start this modest but influential long-term shift in market value.<sup>11</sup></p> <p>This would be achieved by nudging stamp duty down, and up, based on the energy performance of the home. Where a higher Stamp Duty is calculated, homebuyers would consider energy performance when making their offer. Understanding the home's energy performance becomes a normal part of the home buying process. After purchase, where improvements are made, a warm homes rebate is paid.</p> <p>This would drive a long-term sustainable market for energy performance measures (insulation, heat pumps and solar panels).</p>

<sup>11</sup> [Stamp Duty Reform](#) - UKGBC and EEIG (2024)

as insulation, heat pumps and solar panels.

### Raise the quality of privately rented homes

Energy efficiency is the best way to bring energy bills down, but landlords currently have little incentive to invest.

The Government should require landlords to achieve an Energy Performance Certificate (EPC) rating of C by 2030 and improve renters rights so to protect from rent increases and evictions.

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.

Labour has reintroduced the Renters Reform Bill in Parliament which is designed to give tenants protection from unscrupulous landlords, scrapping no-fault evictions. Landlords could also now face fines of up to £7,000 if their properties do not meet a "decent homes standard"<sup>12</sup> which the Government plans to consult on soon.

The Government will consult by the end of 2024 on revised proposals that would require all rented homes to meet an Energy Performance Certificate (EPC) rating of C or its equivalent by 2030.<sup>13</sup>

Labour's manifesto committed to extending Awaab's Law from social to private rented homes, requiring landlords to act on



4/4

One in four renters are in fuel poverty so improving renters' rights and introducing new minimum energy performance standards is an important justice issue as well as climate issue for Labour to address.

We are pleased that the Government has listened to fuel poverty groups, UKGBC and many industry organisations who have long called for action to require landlords to achieve a minimum Energy Performance Certificate (EPC) rating of C. 2030 is later than we had originally called for in our Roadmap, but inaction by the previous government has made an extension to 2030 inevitable.


The new regulation should be introduced alongside the long-awaited modernisation of the EPC system which currently erroneously marks down low-carbon heating such as heat pumps.

The proposed cost cap limiting the work landlords are required to carry out is too low and should be increased. Updated tax incentives for landlords should be considered in addition to measures such as property-linked finance to facilitate the large-scale investment. A wider national retrofit strategy including an industry supply chain and skills strategy will be needed to reduce the cost of industry bottlenecks.

We await the consultation on the Decent Homes Standard to ensure that both social housing and private rented houses are safe, healthy places for people to live.

<sup>12</sup> [Guide to the Renters' Rights Bill](#) - Ministry of Housing, Communities and Local Government (2024)

<sup>13</sup> [Home upgrade press release](#) - UK Government (2024)

	<p>deadly damp and mould within minimum timescales.<sup>14</sup></p>	
<p><b>Scale-up local capacity and skills</b></p> <p>The Government should give local authorities and councils the devolved powers, responsibility, and resources they need to play a major role in the delivery of a nationwide home upgrade programme.</p> <p>This should start with fixing the broken grants schemes, scaling them up with more predictable funding.</p> <p>Dedicated funding for skilled retrofit officers in each council would transform capacity to develop local plans, attract wider investment, engage with households and supply chains, and oversee local 'one stop shop' retrofit services.</p>	<p>The English Devolution Bill introduced in the King's Speech July 2024 sets out a more ambitious devolution framework.<sup>15</sup></p> <p>So far, the Government's commitment to devolution has begun with the signing of agreements for two more regional mayors and the establishment of two new combined county authorities.<sup>16</sup></p> <p>The Government has replaced the overly bureaucratic Green Homes Grant Local Authority Delivery (GHG LAD) with a 'Warm Homes: Local Grant' that will provide funding to low-income, low energy</p>	<p style="text-align: right;"><b>2/4</b></p>  <p>There was no specific mention of retrofit within the Devolution Bill which we would recommend the Government look to amend when the Bill is introduced.</p> <p>The 'Warm Homes: Local Grant' represents a significant improvement on previous LADs and HUGS schemes, stating a clear objective for carbon savings, opening up retrofits to all households on or off gas and increasing the required average household income. This grant introduces a dual cost cap (one for insulation and one for heating) which increases average spend per home. The new schemes must ensure that works completed using the grants are done to the highest quality.</p> <p>More local governments need to be given the devolved powers, responsibility, and resources they need to play a major role in the delivery of a nationwide home upgrade programme, building on the previous devolution deals to, for example, Greater Manchester and the West Midlands.</p> <p>Dedicated funding for skilled retrofit officers in each council would transform capacity to develop local plans, attract wider investment, engage with households and supply chains, and oversee local 'one-stop shop' retrofit services.<sup>18</sup> Equipping local authorities with the skills to carry out local policies needed for a greener built environment is vital to</p>

<sup>14</sup> [Renters' Rights Bill](#) - UK Government (2024)

<sup>15</sup> [The King's Speech](#) - State Opening of Parliament (2024)

<sup>16</sup> [Four Devolution Agreements Signed](#) - UK Government (2024)

<sup>18</sup> [Local Authority Retrofit Playbook](#) - UKGBC (2021)

	<p>efficiency, private households in England. <sup>17</sup></p> <p>The Government have commissioned Skills England to undertake work which identifies local and national skills gaps, and in September 2024 they launched the 'Growth and Skills Levy' as a successor to the previous Apprenticeship Levy.</p>	<p>address regional disparities, drive sustainable change, improve efficiencies, and safeguard quality.</p>
--	--	---


---

<sup>17</sup> [Warm Homes: Local Grant](#) - UK Government (2024)

## 5. Making new developments high quality, well-connected and green

This government is set to oversee the development of new homes and buildings across the country. Decisions about how sustainable these developments are will be pivotal to levels of public acceptance as well as our chances of hitting climate commitments. Every development must be a part of the solution to the cost of living, climate and nature crises, rather than being a driver of the problem. New developments should be much more sustainable than the last generation 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. Tackling embodied carbon, which currently makes up 1 in 10 tonnes of UK carbon emissions<sup>19</sup>, is a huge opportunity to make faster progress on climate targets.

Labour’s manifesto commitment that new homes and places will be high-quality and sustainable with increased climate resilience and supporting nature recovery is encouraging. But the test of this will be if it includes a new climate and nature ‘purpose’ in its new Planning and Infrastructure Bill ensuring every decision helps to deliver on the Climate Change Act and the Environment Act; how it responds to feedback on its National Planning Policy Framework consultation; and if it adopts the highest consulted on version of the Future Homes and Buildings Standard. All this will need to be matched with new regulation of embodied carbon emissions from construction to avoid quickly burning through the UK’s carbon budget.

UKGBC policy proposal	Government policies and announcements	UKGBC assessment and recommendations
<p><b>Put nature and climate at the core of planning</b></p> <p>The planning system should be modernised to place</p>	<p>The Government wasted no time in reforming the National Planning Policy Framework (NPPF) with an NPPF</p>	<div style="display: flex; align-items: center; justify-content: space-between;"> <div style="text-align: center;">  </div> <div style="text-align: right; font-weight: bold;">2/4</div> </div> <p>We welcome this NPPF consultation and congratulate the Government for bringing it forward so quickly after so much delay. Updating the planning system is urgent. It provides a crucial opportunity to ensure all</p>

<sup>19</sup> [Policy Position Paper: Embodied carbon regulation](#) - IstructE and UKGBC (2024)

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.

consultation opened in August 2024.<sup>20</sup>

The proposed changes include the restoration of the five-year housing land supply, the introduction of the 'Grey Belt' concept to develop land which makes a 'limited contribution' to Green Belt purposes, and an enhanced focus on cross-boundary cooperation.

The Government has also invited views on the development of a 'brownfield passport'.

Defra Secretary Steve Reed has made restoring nature one of his department's five new priorities.

planning strategies and decisions contribute towards, not pull against, the Government's ambitions and legal obligations to achieve a zero-carbon future, protect households, communities, businesses and the wider society from climate impacts and restore nature.

The NPPF proposals, including a new 'Grey Belt' definition and the reinstatement of a five-year housing land supply requirement, will need to go much further to reflect the Government's own stated urgency and commitment to decarbonise the economy, restore nature and deliver energy security and climate resilience.

The Government is right to aim for a brownfield-first approach to meet housing need. We are recommending that brownfield sites be developed before green belt land which might be reclassified under grey belt definition or existing greenfield sites, but that ecological assessments should be carried out and sites with biodiverse urban habitats are protected with local authorities properly resourced with funding and administrative assistance to undertake these additional assessments.

Modernising the NPPF will not be enough, however, to ensure all new developments deliver on climate and nature goals or to overcome the inconsistency and uncertainty that currently bogs down planning decisions. A clear national legal priority needs to be established for climate and nature restoration in the way that 'historical significance' is given particular weight in planning decisions. Labour understands this and was right in Opposition to table amendments to the Levelling Up and Regeneration Bill to create a new 'purpose' for England's planning system to deliver on the Climate Change Act<sup>21</sup>. But these were defeated.

<sup>20</sup> [NPPF Consultation - UK Government \(2024\)](#)

<sup>21</sup> [Labour Party amendment to the Levelling Up and Regeneration Bill - House of Commons \(2023\)](#)



		<p>The forthcoming Planning and Infrastructure Bill is the opportunity to write this into law and avoid years more delays, challenges and public concern about planning decisions not fit for our future.<sup>22</sup></p> <p>We also urge the Government to reverse the effects of the 13 December 2023 Written Ministerial Statement (WMS), as identified as a barrier to Net Zero by the Climate Change Committee in its most recent progress report.<sup>23</sup> The WMS imposes an undue restriction on local plans' ability to mandate highly energy-efficient new buildings. This should be addressed by the new Government, and NPPF policy that allows local authorities to set higher, energy-based targets within an agreed framework, to achieve Net Zero operational buildings, provided they can demonstrate viability, should be introduced.</p> <p>We hope that strong collaboration between DEFRA and MHCLG results in not just protections but a major advance in nature restoration over the coming years.</p>
	<p>The Government has committed £20 million of funding to provide 300 new planning officers.<sup>24</sup></p>	<p>Labour has listened to our sector and has committed to an increase in funding for local authority planning after a collapse in the number of planning officers in recent years.</p> <p>But a larger increase will be needed to tackle the delays in planning applications which hold back a large number of refurbishment, repurposing and new build projects which could provide economic opportunity, employment, and housing in every part of the country.</p> <p>The salaries of planners have significantly declined in real terms since 2005 and local authorities struggle to recruit and retain mid to senior-</p>

<sup>22</sup> [UKGBC Consultation Response: National Planning Policy Framework - UKGBC \(2024\)](#)

<sup>23</sup> [Climate Change Committee Report - CCC \(2024\)](#)


<sup>24</sup> [Labour Manifesto Costings - Labour Party \(2024\)](#)

		<p>grade planners, with a quarter of planners moving to the private sector between 2009 and 2020.<sup>25</sup> To reverse this shortfall in Local Planning Authorities, we recommend the Government look to increase funding for planning officers, skills and training, to ensure the roles are competitive with the private sector, both in terms of salary and skillset.</p> <p>In the long-term the Government should look to allocate funding that will allow the transformation of the sector to be more forward-thinking, data-driven and innovative (such as digital transformation) so local authorities are attractive to planners of all experience-levels. Equipping local authorities with the skills to carry out local policies needed for a greener built environment is vital to address regional disparities, drive sustainable change, improve efficiencies, and safeguard quality.</p>
<p><b>Stronger sustainable buildings standards</b></p> <p>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.</p> <p>Following this, a further standard should be</p>	<p>In its manifesto, the Government committed to building more 'high-quality, well-designed and sustainable homes'.<sup>26</sup></p> <p>The Parliamentary Under-Secretary of State for Housing, Communities and Local Government has since given verbal indication that the previous government's Future Homes and Buildings Standards (consulted on in December 2023) will be responded to in 'due course',</p>	<div data-bbox="1070 662 1550 746" style="text-align: center;"> </div> <p style="text-align: right;"><b>2/4</b></p> <p>The Government is saying the right things when it comes to new build standards, but we await a formal decision on the Future Homes and Buildings Standard consulted on by the last government<sup>28</sup>. This is now urgent to avoid further delays in new regulations and to give more certainty to industry.</p> <p>UKGBC urges the Government to adopt the strongest of the options consulted on including an end to all gas connections, a presumption that new homes are highly energy efficient and generate their own rooftop solar or other renewable energy. Lower standards would leave residents with higher than necessary heating bills and leave the country with the inflated cost of a much larger than necessary electricity grid.</p>

<sup>25</sup> [RTPI State of the Profession report](#) - Royal Town Planning Institute (2023)

<sup>26</sup> [Labour Party Manifesto 2024](#) - p.39, Labour Manifesto (2024)

<sup>28</sup> [UKGBC Future Homes Standard Consultation Response](#) - UKGBC (2024)

<p>introduced improving energy efficiency and requiring 'in-use' performance measurement to cut bills and carbon, support the low-carbon electricity grid, and ensure quality.</p>	<p>and reinforced commitment to introduce new standards in 2025 that will set homes and buildings on a path away from the use of fossil fuels and ensure new homes are 'future-proofed, with low-carbon heating and high levels of building fabric standards' which will not require retrofitting to become zero carbon<sup>27</sup>.</p>	<p>But this improved Standard will still be far behind that commonly built to under the regulation of many local authorities. And will fail to tackle the huge embodied carbon emissions from new buildings, improve their resilience to increasingly dangerous climate hazards such as flooding and water shortage, or give residents the confidence that they are getting what they pay for through 'in use' performance monitoring.</p> <p>This Standard should be followed quickly by a consultation for a more ambitious national framework to make new homes and buildings genuinely fit for the future. This would also create greater consistency in higher standards across the country helping the industry to plan, skill up and scale up to meet the challenge.</p> <p>In addition, ensuring local authorities are sufficiently equipped, resourced, and empowered to create and support the implementation of design codes, as well as existing standards and policies, will be of paramount importance to ensuring more well-designed development in practice. We urge the Government to reverse the effects of the 13<sup>th</sup> December 2023 Written Ministerial Statement (WMS), as identified as a barrier to Net Zero by the Climate Change Committee in its most recent progress report.<sup>29</sup> The WMS imposes an undue restriction on local plans' ability to mandate highly energy-efficient new buildings.</p>
<p><b>Restrict embodied carbon emissions</b></p> <p>The Government should require developers to measure and report whole-</p>	<p>The Parliamentary Under-Secretary of State for Housing, Communities and Local Government indicated in a Parliamentary debate that the Government would aim to</p>	<div style="display: flex; align-items: center; justify-content: space-between;">  <span style="font-weight: bold; font-size: 1.2em;">2/4</span> </div> <p>Labour should move to reduce embodied carbon emissions related to the production and use of construction materials, which account for 1 in 10 tonnes of the UK's total greenhouse gas emissions (64 million tonnes of CO<sub>2</sub> per year).<sup>31</sup></p>

<sup>27</sup> [Commons debate, New Housing: Environmental Standards \(Volume 753: debated on Thursday 12 September 2024\)](#) - UK Parliament (2024)

<sup>29</sup> [Climate Change Committee Report](#) - Climate Change Committee (2024)

<sup>31</sup> [Embodied Carbon Assessments](#) - Stroma (2024)

<p>life carbon emissions, and introduce legal limits on embodied carbon.</p> <p>These emissions should also be reduced through new mechanisms to encourage the reuse of existing buildings and assets instead of demolition and rebuild.</p>	<p>encourage industry towards lower-carbon materials and design practices that minimise waste.<sup>30</sup></p>	<p>We recommend confirmation of interventions and a timeline within the next six months which should require developers to measure and report whole-life carbon emissions and introduce legal limits on upfront embodied carbon emissions with a view to tighten and revise as required.</p> <p>These interventions should be complemented by mechanisms to encourage the reuse of existing buildings and assets instead of demolition and rebuild, such as updates to the VAT framework, which currently favours new build, and changes to Planning policy and Permitted Development Rights to support high quality retrofit of existing buildings. This will encourage regeneration of existing properties and avoid wasted high street buildings.</p>
<p>Utilise existing buildings to be reimagined and repurposed to a high quality for community needs, minimising embodied carbon and creating spaces of social and economic value.</p>	<p>In its manifesto, Labour committed to move towards a circular economy and has begun appointing industry, academic, and civil society groups to new Circular Economy Taskforce to help design fresh policy regime for waste, recycling, and reuse in the UK.<sup>32</sup></p>	<p>The construction industry uses more raw material than any other in the UK and produces the most waste, with 62 per cent of UK waste generation coming from construction.<sup>33</sup> The Government's commitment to a more circular economy will reduce the quantity of raw material used, minimise waste associated with construction, and help reduce the embodied carbon emissions.</p> <p>The Government should look to techniques and technologies already available to reduce the use of raw materials by over a third and also reduce the sector's embodied carbon emissions by 39 per cent. Any specific resource reduction targets should be complemented by support for industry action with financial incentives and support, circular design and retrofitting guidance, and standardised metrics for monitoring Whole Life Carbon. In addition, the Government can look to support the infrastructure and system enablers to truly enable circularity across the</p>

<sup>30</sup> [New Housing: Environmental Standards - Debate](#) - Hansard, UK Parliament (2024)

<sup>32</sup> [DEFRA announces plan for Circular Economy Taskforce](#) - Resource.co (2024)

<sup>33</sup> [Waste management in the UK: stats and data](#) - Ecostar (2023)

		<p>construction industry with mechanisms such as research and innovation investment.</p>
<p><b>Regulate to protect and restore nature</b></p> <p>Nature-rich, and a new designation of 'nature recovery', areas should be protected from development, regardless of its status of brown, green or 'grey' belt.</p> <p>This 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.</p> <p>The material resource extraction associated with construction often results in devastating impacts on ecosystems worldwide. The Government should consult on and regulate these 'embodied ecological impacts'.</p>	<p>In its manifesto Labour made commitment to creating places that promote nature recovery.</p> <p>In the National Planning Policy Framework (NPPF) consultation opened in August 2024, there was commitment to prioritise reuse of land and fast tracking of urban sites with a brownfield first approach. There was also a more strategic approach to green belt land designation, with proposals to release a new category of 'grey belt' land which makes 'limited to contribution' to green belt purposes.<sup>34</sup></p>	<p style="text-align: right;"><b>2/4</b></p>  <p>The Manifesto commitment to promoting nature recovery is welcome, but we await a detailed strategy.</p> <p>The new in-principle support for brownfield sites means that these sites will come forward as available quickly and be prioritised for development. However, many brownfield sites have developed into biodiverse urban habitats that provide greenery that can be enjoyed by local communities for recreation. Therefore, while brownfield sites should be developed ahead of grey or greenfield sites, these should be assessed by the LPA and if appropriate require an ecological assessment to understand the benefits and disbenefits of development. Local plans should deliver an overall net biodiversity gain.</p> <p>We would like to see the commitment to a brownfield-first approach matched with in-principle support for retrofit and repurposing of existing buildings as a first consideration, and priority given to developments that substantially reuse and refurbish existing buildings and structures. This will utilise existing assets for new home creation and reduce the material resource extraction and use associated with construction, whilst contributing significantly to housing supply and skilled job availability in communities across the country.</p> <p>The definition of grey belt land as that which makes a 'limited contribution' to Green Belt purposes is too subjective and could lead to unintended consequences, damage to nature, delays and disputes. A clearer definition of grey belt is therefore vital to ensure the protection of the parts of the Green Belt that are high-value areas of nature and play a</p>

<sup>34</sup> [NPPF Consultation](#) - UK Government (2024)

		<p>significant role in reversing our declining biodiversity, storing carbon, producing food and allowing people access to nature.</p> <p>The new grey belt criteria should be met with greening policies that seek to expand and regenerate existing areas of the Green Belt into improved habitat, wetlands and woodlands, and prioritise nature restoration. Green belt should continue to be protected from new development and only released under grey belt designation as a last resort after 'shovel-ready' brownfield sites have been prioritised, which CPRE research has shown could accommodate 1.2 million new homes.<sup>35</sup></p> <p>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.</p>
	<p>In July 2024 the Government announced a rapid review of the Environmental Improvement Plan (EIP) by the end of the year to deliver legally binding targets and save nature.<sup>36</sup></p>	<p>We welcome this rapid review and look forward to seeing detailed delivery plans to accelerate action for nature restoration.</p>
	<p>In its manifesto Labour pledged to implement solutions to unlock the building of homes affected by nutrient neutrality without weakening environmental protections.</p>	<p>The Government will need to consult with industry and environmental organisations to propose new nutrient neutrality laws that effectively protect nature.</p>

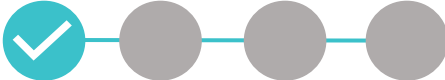
<sup>35</sup> [CPRE Brownfield Report - CPRE \(2022\)](#)

<sup>36</sup> [Coverage of rapid review to meet Environment Act targets - DEFRA \(2024\)](#)

## 6. Protecting our communities from climate risks

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 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 flooding and overheating protections, 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.

The Secretary of State for the Department for Environment, Food, and Rural Affairs, Steve Reed, has made flood protection one of five priorities for the Department and quickly established a new Flood Resilience Taskforce and a Flood and Droughts Research Infrastructure body to better predict where extreme events will strike. He inherited a sub-standard National Adaptation Plan. We hope that our emerging industry-backed Climate Resilience Roadmap for the Built Environment can help inform a fresh strategic approach and embolden the Government to push the climate threat much higher up the national agenda.

UKGBC policy proposal	Government policies and announcements	UKGBC assessment and recommendations
<p><b>Prioritise nature-based solutions</b></p> <p>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.</p>	<p>In its manifesto Labour committed to creating places that increase resilience and promote nature recovery, and promised to plant millions of trees, and expand nature-rich habitats such as wetlands, peat bogs and forests.</p>	<div style="display: flex; align-items: center;">  <span style="margin-left: 20px;"><b>1/4</b></span> </div> <p>Whilst commitments and talks of nature restoration are welcome, this hasn't yet been clearly linked to climate adaptation and resilience.</p> <p>In the proposed updates to the National Planning Policy Framework we recommend more comprehensive reference to climate adaptation and prioritising nature-based solutions to improve resilience. More guidance is required for local plans and planning proposals expected to take adaptation and resilience measures. A new legal duty for adaptation in</p>

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.

**Increase urban tree cover**

This 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.<sup>37</sup>

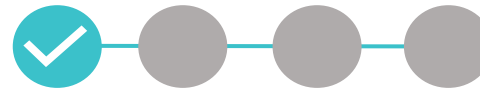
This means supporting local authorities to increase tree cover from an average of

In its manifesto Labour committed to plant millions of trees.<sup>39</sup>

In October, the Government launched the 'Nature Towns and Cities' initiative which will distribute £15m in local authority and council grants to over 100 towns and cities to unlock green spaces and improve resilience in local areas, focusing on urban

the Levelling Up and Regeneration Bill to address issues of climate resilience would prevent the future cost of failing to act to protect against climate change impacts.

Commitment to increase tree cover and restore important carbon sinks such as wetlands, forests, and peat bogs are welcome. We await details. We recommend this includes a major role for nature-based solutions such as green and blue infrastructure to improve the 'sponginess' of landscapes which are often the most effective and cost-effective ways to reduce flash flooding and overheating.



**1/4**

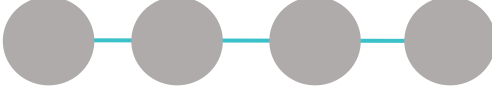

The pledge to plant millions of new trees will be vital. However, we recommend this includes specific targets for tree cover in urban areas. The Government should take guidance from the '3-30-300' rule for urban areas, which means 3 trees visible from every home, 30% canopy cover in each neighbourhood, and everyone just 300 metres from a biodiverse park or green space.

This will require support for 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, and biodiversity as well as mitigating flood and heat risk.

<sup>37</sup> [The Case for More Trees](#) - RDG Planning (2024)

<sup>39</sup> [Labour Party Manifesto 2024](#) - p.58, Labour Manifesto (2024)



<p>16% to a minimum of 25% by 2030, improving wellbeing, microclimate, air quality and health, as well as mitigating flood and heat risk.<sup>38</sup></p>	<p>towns that are lacking in nature and green access.<sup>40</sup></p>	<p>The new Nature Towns and Cities initiative is a step in the right direction, acknowledging the importance of nature and green spaces in urban environments. It also recognises the role nature plays in climate resilience which is vital to protect local communities. Going forward, explicit support for nature-based solutions and consistent funding will provide local authorities the security they need to develop nature and resilience plans.</p>
<p><b>Invest in resilient retrofits</b></p> <p>A new national home retrofit strategy should include climate resilience measures.</p> <p>Government funding for adaptation measures such as fans and effective 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.</p>	<p>No announcements or commitments.</p>	<div style="display: flex; justify-content: space-between; align-items: center;">  <span style="font-weight: bold;">0/4</span> </div> <p>The Government should include climate resilience measures as part of the new national retrofit strategy. Government funding for adaptation measures such as fans and effective blinds, flood barriers, and external shutters will be needed for low-income households.</p> <p>There is also an opportunity through this to improve public education and awareness around adaptation, such as the operation of effective shading, understanding of locational-based flood risk, low-cost and effective home improvements to increase resilience in extreme weather events. This can decrease national health risks and reduce repair costs, while also avoiding increases in active cooling systems and thereby avoidable energy consumption.</p>
<p><b>A robust national climate safety plan</b></p>	<p>DEFRA Secretary Steve Reed has made flood protection one of five new priorities for the department.<sup>41</sup></p>	<div style="display: flex; justify-content: space-between; align-items: center;">  <span style="font-weight: bold;">3/4</span> </div> <p>The commitment and speed with which some action has been taken to address national climate resilience is welcome, and aligns with our</p>

<sup>38</sup> [State of the UK's Woods and Trees 2021](#) - NHS Forest (2021)

<sup>40</sup> [Nature Towns and Cities Initiative](#) - UK Gov (2024)

<sup>41</sup> [Speech: Defra Secretary of State at Summer Stakeholder Reception](#) - GOV.UK (DEFRA) (2024)

<p>The 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 step-change in funding.</p> <p>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.</p>	<p>This follows a manifesto commitment to improve adaptation plans by working with Fire and Rescue services to establish national resilience standards.</p> <p>In August 2024 the Government launched The Flood and Droughts Research Infrastructure (FDRI)<sup>42</sup> with £38 million UK funding to advance understanding of climate risks as part of efforts to protect homes, businesses, and infrastructure from extreme weather.</p> <p>In September 2024 the Government announced a new Flood Resilience Taskforce to accelerate the development of flood defences and bolster the nation's resilience to extreme weather.<sup>43</sup></p>	<p>previous calls for a joined up approach across central government, business, local authorities, and emergency services.</p> <p>This central high-level leadership should be complemented by an urgent refresh of the National Adaptation Programme with clear targets, metrics, and actions, so it is meaningful to organisations seeking to understand what role they need to play as part of a wider national effort.</p> <p>With 5.5 million properties in England alone at risk from flooding<sup>44</sup>, this new strategy must include specific recommendations and action across the built environment.</p>
--	--	---

<sup>42</sup> [Floods and Droughts Research Infrastructure - FDRI \(2024\)](#)

<sup>43</sup> [New Flood Resilience Taskforce - DEFRA \(2024\)](#)

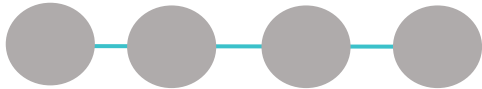
<sup>44</sup> [New Floods Resilience Taskforce - DEFRA \(2024\)](#)

## 7. Renewing our town centres, with upgraded commercial and public buildings

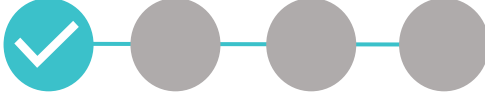
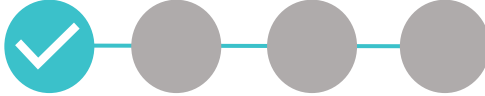
Our town centres could be hubs of the community which bring people together in vibrant, healthy and sustainable places. But far too many areas across the country are in decline with empty premises and uncared-for spaces. This government has a chance to breathe new life into our town centres by upgrading commercial and public buildings and repurposing under-used spaces. Improved energy efficiency and low-carbon measures will help make commercial and public buildings enjoyable, comfortable, and affordable 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.

While no announcements have been made yet on upgrading commercial and public buildings, there is a considerable uptick in interest and policy development work from the department with the new Government. UKGBC has been working intensively with department officials to inform this work which we expect to form part of the forthcoming Net Zero Buildings strategy. We hope the Chancellor will announce increased funding for public sector decarbonisation at the October Budget and longer-term tax incentives for commercial buildings in the spring Comprehensive spending review.

UKGBC policy proposal	Government policies and announcements	UKGBC assessment and recommendations
<p><b>Raise energy performance standards of commercial buildings</b></p> <p>The Government should act to bring large commercial buildings to an Energy Performance Certificate B</p>	<p>The Minister for Energy Consumers confirmed that the full details of the Government's approach to Net Zero buildings would be set out after the completion of</p>	<div style="display: flex; align-items: center; justify-content: space-between;"> <div data-bbox="1048 1070 1525 1157"> </div> <div data-bbox="1966 1098 2033 1134"> <p><b>1/4</b></p> </div> </div> <p>The Government has acknowledged that a new approach to Net Zero buildings is needed. This must involve consultation with industry to propose energy performance levels which are achievable and effective.</p> <p>Consideration should be given to incentivising performance-related improvements of commercial buildings in the private sector, so that</p>

<p>rating, or equivalent, up from the minimum standard of E, in line with the 2021 Government consultation.</p> <p>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.</p>	<p>the Spending Review Process.<sup>45</sup></p>	<p>viability issues in the current and near future market (high material costs, increased taxation/ penalties/ regulation, workforce shortages, contractor risks etc.) are overcome where retrofit is complex, or sale and/or demolition are more attractive due to asset stranding. Examples include public-private partnerships for acquisition and sustainability-led regeneration of multiple vacant or stranded building; to deliver mixed land uses that meet local social needs and leverage economic returns.</p>
<p><b>Modernise the Landlord and Tenant Act</b></p> <p>The Government should act to 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.</p> <p>The Act should also enable quick and easy lease renewal to ensure spaces aren't left empty, and are</p>	<p>No announcements or commitments.</p>	<div style="text-align: right;"><b>0/4</b></div>  <p>The Government should look at reforming the Landlord Tenant Act within its new Net Zero buildings strategy to include Green Lease Clauses, and within its town regeneration goals to include simplified lease renewal to avoid vacant properties.</p>

<sup>45</sup> [Written questions and answers - UK Parliament - Miatta Fahnbulleh \(2024\)](#)

<p>instead attractive to shops, businesses, and services enjoyed by communities.</p>		
<p><b>Introduce tax incentives for smaller businesses</b></p> <p>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.</p> <p>The 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.</p>	<p>In its manifesto Labour committed to replace the business rates system to raise fairer revenue and better incentivise investment to empty properties.<sup>46</sup></p>	<div style="display: flex; justify-content: space-between; align-items: center;">  <span style="font-weight: bold;">1/4</span> </div> <p>We're pleased to see commitment to tax reforms which bring empty properties back into use to help regenerate our high streets and neighbourhoods, but more detail and action is needed on this. The proposed reforms to the business rates system should support smaller businesses to take up vacant units and improve the energy performance of buildings they rent.</p> <p>VAT should be removed for refurbishment works when energy performance targets are met to incentivise retrofit.</p>
<p><b>High standard repurposed buildings</b></p> <p>The Government should reform planning rules to</p>	<p>The Government have kicked off a New Towns Programme which will include urban extensions and regeneration projects across England.<sup>47</sup></p>	<div style="display: flex; justify-content: space-between; align-items: center;">  <span style="font-weight: bold;">1/4</span> </div> <p>Urban regeneration projects are welcome and should prioritise the reuse of existing buildings. This can be done by updating the VAT framework, which currently favours new build, and ensuring that</p>

<sup>46</sup> [Labour Manifesto 2024](#) - p.31, Labour (2024)

<sup>47</sup> [New Towns Taskforce](#) - UK Government (2024)

prioritise the reuse of existing buildings and update the VAT framework, which currently favours new build. This will encourage the 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.

commitment to regulation which ensures high-quality, well-designed and sustainable buildings extends to buildings undergoing change of use.

The Future Homes and Building Standards 2025 consultation had a section on Material Change of Use, which would drive considerable increase in energy efficiency and overheating mitigation standards for buildings undergoing change of use. A response to this consultation should ensure standards for Material Change of Use are increased to the maximum extent consulted upon.<sup>48</sup>


---

<sup>48</sup> [The Future Homes and Buildings Standards: 2023 consultation](#) - GOV.UK (DLUHC) (2023)

## 8. Climate leadership and joined up government

The global challenge of climate change and nature restoration requires a fundamental shift in current approaches to climate policy with more long-term plans and coordination across all governmental departments and on the global stage. Ramping up climate ambitions on the international stage is necessary to demonstrate leadership, but it is also vital that the Government demonstrates real-world delivery against legally binding UK climate commitments. This can be achieved with a national transition plan, and a joined-up approach across government which ensures every department makes climate and nature a priority.

To ensure the success of climate action and nature restoration, Keir Starmer must prioritise these issues at the heart of Downing Street and Whitehall. So far, the focus of green policy has been concentrated within three key departments: the Department for Energy Security and Net Zero, led by Ed Miliband, and the Department for Environment and Rural Affairs, headed by Steve Reed. David Lammy has also committed to making climate and nature “central to all the Foreign Office does”.<sup>49</sup> However, what’s not so visible yet are clear strategies from the rest of the government on how they will contribute. Greening both our new and existing built environments, whether public or private, will require coordinated efforts across all departments—from Angela Rayner’s Ministry of Housing Communities and Local Government to Jonathan Reynolds’ Business and Trade department, the departments of Transport, Health and, crucially, the Treasury.

UKGBC policy proposal	Government policies and announcements	UKGBC assessment and recommendations
<p><b>Climate leadership</b></p> <p>The next government should make clear that action on climate mitigation and resilience and restoration of nature are urgent national priorities and an opportunity</p>	<p>The establishment of Labour’s missions has demonstrated commitment to address long-term and complex issues, such as making Britain a clean energy superpower as a priority.</p>	<div style="display: flex; align-items: center; justify-content: space-between;">  <span style="font-weight: bold;">3/4</span> </div> <p>It’s good to see clear commitment and action to a clean energy system for the whole of the UK. This will be crucial for ensuring electrified heating and thermal storage systems are truly low carbon. This renewed focus on decarbonising our energy supply must be complemented with initiatives of similar ambition to reduce energy demand, which we aren’t yet seeing</p>

<sup>49</sup> [Speech: The Kew Lecture: Foreign Secretary’s speech on the climate crisis - GOV.UK \(FCDO\) \(2024\)](#)

to protect and improve people's quality of life.

The new Government has acted quickly to establish Great British Energy, a new publicly-owned energy production company which will own, manage and operate clean power projects up and down the country.<sup>50</sup>

The Government launched a new Global Clean Power Alliance, and announced the creation of two new UK Special Representatives for Climate Change and Nature, aimed at advancing the UK's international efforts on finance and biodiversity protection.<sup>51</sup>

The deadline for the Secretary of State's response to the Committee on Climate Change (CCC) Report for 2024, previously set for 15<sup>th</sup> October 2024, has been extended to 19<sup>th</sup> December 2024.

parity with (see above sections on Domestic Retrofit, New Developments, and Commercial and public sector decarbonisation).

Attention and action to the global climate crisis is welcome as the Government work to reposition the UK as an international climate leader. The new global Buildings Breakthrough is an opportunity to drive real action, but any UK leader would need to show tangible progress at home.

---

<sup>50</sup> [Great British Energy](#) - UK Government (2024)

<sup>51</sup> [Foreign Secretary's speech](#) - David Lammy (2024)



### Joined up government

A new joined-up Office for Climate and Nature to provide oversight and delivery, led by the Prime Minister, with every government department making climate and nature a priority.

A new overarching national transition plan to deliver the next legally binding climate budgets.

The Government has created several mission delivery boards which are charged with ensuring cross-departmental work on Labour's five national missions.<sup>52</sup>



2/4

Keir Starmer has put 'green growth' at the heart of his plans to renew the country and the mission delivery boards are charged with ensuring that this is at the heart of all departments.

The last government's carbon-reduction plan was ruled inadequate by judges. Now it falls to the Labour Government to draft a new one that will set out clearly how the UK can meet not just the carbon budgets set by the Climate Change Committee but also its international targets under the Paris Agreement.

<sup>52</sup> [Labour Manifesto 2024](#) - p.12-13, Labour (2024)

## 9. Conclusion and recommendations

---

The Government has made a positive start, but two pivotal decisions over the next period will be the test of whether this Government is on track to deliver a legacy of renewed towns and cities, homes and workplaces, meeting our climate and nature commitments and restoring living standards.

Firstly, all new developments must contribute to solving the climate, nature and cost of living crises, not exacerbate them. That means the forthcoming Planning and Infrastructure Bill must include a clause to create a new 'purpose' of the planning system to deliver on the Climate Change and Environment Acts.

Secondly, the Chancellor must use the October 30<sup>th</sup> budget to confirm double the levels of investment for warm homes than the previous administration and set out how those budgets will be allocated in the next period. But this will not be nearly enough to put our existing cold draughty gas-guzzling homes on the right path to be low carbon and resilient to increasingly common overheating and flooding. Rachel Reeves should use the spring Comprehensive Spending Review to announce scaled-up investment over the following period in line with Labour's previous commitment of £60 billion over 10 years.

Success will depend on strategic collaboration with industry to develop a long-term, comprehensive and truly ambitious vision and strategy to renew the country's built environment so that every community and high street is low carbon, efficient, inclusive and interwoven by trees and green spaces. The UK Green Building Council is already engaged with government departments across the areas that will contribute to the new Net Zero Buildings Strategy expected after the Comprehensive Spending Review. The next period is a huge opportunity for both the Government and our members to share the technical experience and confidence to go much further and faster than ever before and deliver a lasting legacy of progress that would bring tangible benefits to everyone in the country.

## 10. Acknowledgements

---

### **UKGBC authors**

Louise Hutchins - Head of Policy and Public Affairs

Kirsty Girvan - Policy and Public Affairs Advisor

Marguerite Ohan - Policy and Public Affairs Advisor

Emily Kent - Policy and Regenerative Places Coordinator

Scarlet Healy - Policy and Public Affairs Associate

We would like to give special thanks to our Organisational, Programme and Project Partners and Building Life 2 funders for their invaluable support to UKGBC's work, and to our Policy Advocacy member Task Force experts for their analysis, feedback and contributions. They are not responsible for the content and the analysis in the report does not necessarily represent the views of those organisations:

### **Policy Advocacy Task Force**

Alex Jahanshahi-Edlin - McBains

David Cowdrey - MCS Foundation

David Ward - Rockwool

Eleanor Parry - JLL

Emma Lower - Lendology

Jamie Bartley - Unyte Group

Maria Tjader - Schneider Electric

## Policy Advocacy Project Partners



## Organisational Partners



## Advancing Net Zero Programme Partners



## Resilience and Nature Programme Partners



## Building Life 2 funders

