

2012 Consultation on Changes to the Building Regulations in Wales Part L (Conservation of fuel and power)

Consultation – summary of responses

Part 3

#74 - Anglian Windows Ltd

#76 - National Association of Rooflight Manufacturers (NARM)

#77 - LABC Cymru

#78 - The Theatres Trust

#80 - Vale of Glamorgan Council

#82 - Home Builders Federation

#83 - Rhondda Cynon Taf CBC

#85 - Tesco Stores Ltd

#88 - Carillion

#89 - RICS Wales

Yes No

WG will process any personal information that you provide us with in accordance with the data protection principles in the Data Protection Act 1998. In particular, we shall protect all responses containing personal information by means of all appropriate technical security measures and ensure that they are only accessible to those with an operational need to see them. You should, however, be aware that as a public body, the Welsh Government is subject to the requirements of the Freedom of Information Act 2000, and may receive requests for all responses to this consultation. If such requests are received we shall take all steps to anonymise responses that we disclose, by stripping them of the specifically personal data – name and e-mail address – you supply in responding to this consultation. If, however, you consider that any of the responses that you provide to this survey would be likely to identify you irrespective of the removal of your overt personal data, then we should be grateful if you would indicate that, and the likely reasons, in your response, for example in the relevant comments box.

Questions:

New homes

1. Do you agree with the Government's preference for a CO₂ saving of 40% reduction in carbon dioxide emissions compared to Part L 2010.

No change to 2010

40% CO₂ saving

25% CO₂ saving

Something else (please explain below)

Don't know

Comments

2. Do you agree with the proposal for an 'aggregate' approach to CO₂ target setting for new homes in 2015? The CO₂ target for any individual dwelling varies depending on the ease with which the building can achieve the target, with the overall required CO₂ saving achieved when aggregated over the build mix.

Yes No Don't know

Comments

Yes No

WG will process any personal information that you provide us with in accordance with the data protection principles in the Data Protection Act 1998. In particular, we shall protect all responses containing personal information by means of all appropriate technical security measures and ensure that they are only accessible to those with an operational need to see them. You should, however, be aware that as a public body, the Welsh Government is subject to the requirements of the Freedom of Information Act 2000, and may receive requests for all responses to this consultation. If such requests are received we shall take all steps to anonymise responses that we disclose, by stripping them of the specifically personal data – name and e-mail address – you supply in responding to this consultation. If, however, you consider that any of the responses that you provide to this survey would be likely to identify you irrespective of the removal of your overt personal data, then we should be grateful if you would indicate that, and the likely reasons, in your response, for example in the relevant comments box.

Questions:

New homes

1. Do you agree with the Government's preference for a CO₂ saving of 40% reduction in carbon dioxide emissions compared to Part L 2010.

| | |
|---------------------------------------|-------------------------------------|
| No change to 2010 | <input type="checkbox"/> |
| 40% CO ₂ saving | <input checked="" type="checkbox"/> |
| 25% CO ₂ saving | <input type="checkbox"/> |
| Something else (please explain below) | <input type="checkbox"/> |
| Don't know | <input type="checkbox"/> |

Comments

While delivering the aspirations of Wales for carbon reduction it will also help to protect the Welsh economy from the effect of rising fuel costs. It is appreciated that industry may find the changes challenging, however, it is the view of the organisation that if the targets as outlined are implemented it will mean that changes to the fabric will not need to be very dramatic in the future.

Don't know

Please give reasons for your choice

Non domestic buildings should be encouraged to use low carbon technology. If the requirements of TAN 22 are removed then it is considered that this would be palatable to industry.

17. Do the proposed 2013 notional buildings as set out in the changes to the National Calculation Methodology seem like a reasonable basis for standards setting? Please provide comments on the method used to develop the notional buildings and particular elements of one or more of the notional buildings, if relevant.

Yes No Don't know

Comments

A reasonable balance appears to have been achieved.

18. Do you think that a further recipe should be created for buildings under 250m² and aligned with the proposed domestic recipe? Are there particular reasons why smaller buildings find compliance with the non-domestic recipes difficult? Please justify your views.

Yes No Don't know

Comments

Non-dom buildings under 250m² are often constructed by housebuilders. Having a recipe approach would be a consistent approach for these type of builders/buildings. Small buildings are also unlikely to have dedicated facilities management, complex technology incorporated in such buildings may not realise the intended/designed savings.

19. Although we recognise that some buildings may need to be serviced in a particular way for legitimate functional or environmental reasons, should Part L incentivise a lower carbon servicing strategy (as with the current Energy Performance Certificate methodology), by basing the notional building on mixed-mode ventilation?

Yes No Don't know

Comments

It is considered that it would encourage natural ventilations systems; though the impact of this on buildings in high pollution areas may need further consideration.

49. If the checklist was taken forward, who should be involved in its development?

Comments

Designers, Contractors, BCBs and BRE

50. Would any other approach be likely to prove more effective instead (such as a PAS³ type approach).

Yes No Don't know

Comments

The PAS would need to be too generic. Although it may be helpful if there was a requirement for the designer to produce a checklist for their design as a site guide (as part of the Building Regulations application process).

51a. Would it be preferable for buildings of a domestic nature to be able to achieve compliance through applying the recipe in AD L1A, in acknowledgement of the domestic nature of such buildings, rather than demonstrating compliance with AD L2A?

Yes No Don't know

Comments

This methodology will prove beneficial to all stakeholders involved in the process who are involved with the design/specification and construction phases due to the 'givens' in the recipe approach. In short it simplifies the process.

51b. What are the arguments for and against this approach?

Comments

Ease of implementation, reduced burden on industry, cost effective
 Maybe considered prescriptive and impede innovation in design flexibility and technological advances.

³ A PAS is a Publically Available Specification, and the PAS would set out a quality assurance approach.

CONSULTATION RESPONSE



Proposed Changes to Part L of Building Regulations

30/10/2012

1. Initial comments on the consultation proposals

We are deeply concerned with the proposals set out by the consultation documentation - i.e.

1. Higher standards of energy performance for new and existing buildings, the options being:

2. A phased 40% improvement in Part L 2010 for new housing with an effective date of January 2015, or a staged 25% improvement in 2014 followed by a review in 2016 to increase standards to zero carbon before the end of the decade;

In terms of the above, we have been informed by the Welsh Government that the 40% improvement option is the 'preferred option'.

Throughout our evidence, we raise a plethora of concerns with respect to the changes outlined in the consultation proposals and also with respect to the background information provided to support the changes. We deal with these issues in turn throughout evidence submission below, however to begin with, we feel it necessary to highlight a particular concern that seems to present itself almost from the outset. That is, we are acutely concerned by the fact that the proposed changes, including the 'preferred option', are still being considered, despite being undermined considerably by the 'evidence' provided to support the proposals.

In this respect, it is evident that the supporting information does not, in any way, demonstrate that what is being proposed is viable and deliverable. It is also evident that

what is being proposed also does not stack up in terms of the analysis of costs and benefits provided by the Regulatory Impact Assessment. When a new policy or regulatory change is being proposed, one would expect the supporting information for that policy/piece of regulation to demonstrate that the proposed changes are founded on robust evidence and are capable of being delivered, taking into account their own requirements and the wider context in which they will exist. However, the evidence put forward to supplement the building regulation changes does not offer this support on any level. It also does not demonstrate that the proposals are viable or deliverable, it does not demonstrate that the proposed changes are cost effective, neither does it demonstrate that the proposals would be the most effective way and practical to achieve the European target of 'near zero carbon' buildings by 2020.

In light of the above, we are perplexed at the decision to continue to put forward the changes proposed, particularly given that, in our view, the background evidence systematically fails to demonstrate that the proposals are viable, deliverable or appropriate for adoption in Wales.

2. Specific comments on the proposals

2.1 Viability, deliverability and political conflict

2.1.1 Viability and deliverability assumptions

In terms of viability and deliverability, the *Cumulative Impact of Policies* section under paragraph 3.3 of Section 1 of the consultation documentation, contains a section on viability modelling. However, this section by no means demonstrates that the proposed regulation changes are viable. Indeed, we believe it proves the opposite. For instance, paragraph 95, fifth bullet point, states “*Higher construction costs are likely to be accommodated in higher land value areas (Cardiff, Newport, Swansea) for both the 25 and 40% improvement through realistic reductions in planning contributions, developers profit and/or the land value paid to the land owner.*” Essentially, this paragraph suggests that high values areas could accommodate the proposed changes, if planning obligations are reduced and developer profits/land values are reduced. However, if the study was undertaken robustly, the results would have demonstrated that achieving these qualifying requirements would not be as straight forward as anticipated.

For example, we believe the suggestion that land values can simply be reduced to facilitate delivery, fails to recognise the potentially significant impact the cost of the proposed regulations would have on land values in many areas of Wales. We provide a detailed example of the impact of the proposed regulations on land values in Chapter 3 below.

Further to the above, we also believe the suggestion that land values and section 106 obligations can be reduced to facilitate delivery also fundamentally misunderstands the way in which local planning policies, particularly policies with respect to affordable housing are created. In this respect, through the LDP process, policies on affordable housing are always adopted with ‘aspiration’ in mind. That is, whilst the formation of affordable housing policies should be based on evidence with respect to viability, the Welsh Government always insists on affordable housing policies being aspirational. The Welsh Government believes that affordable housing policies should be ‘challenging’ in order to ensure the margins of viability are squeezed to enable the maximum amount of affordable housing to be delivered. Therefore, when affordable housing policies are formulated, they are always at the more challenging end of the scale and there is an expectation, which is consistently repeated by the Welsh Government, that land values and developer profits will need to reduce, in order to ensure the delivery of affordable housing is pushed to the limits.

As such, in terms of the suggestion that land values and developer profits can be reduced to deliver the proposed building regulation changes, it is clear that local authorities have already exhausted this approach in setting affordable housing targets through LDPs, and therefore the scope to make any further alterations to land values, developer profits or planning contributions is virtually nonexistent. Again, given that it is the Welsh Government that insists on affordable housing policies being created in this way, we are confused as to how this has not been fully recognised within this consultation.

In addition to this, the Welsh Government also insists on affordable housing policies being linked to performance of the market and the general economy, in order to ensure that when conditions improve (e.g. house prices increase or costs decrease) the amount of affordable housing can increase correspondingly. In all cases the Welsh Government

expects affordable housing policies to be formulated and adopted within Local Development Plans in this way, and the Monitoring section of the LDP aims to ensure this process works effectively. Therefore, we can see that any improvement in margins that might occur in the future to aid with housing delivery and/or costs, will immediately be offset by higher affordable housing policies. As such, any future improvement in the economy or housing market is therefore unlikely to provide any flexibility to deliver increased building regulation standards.

Also, in terms of developer profit, the consultation information states that the Three Dragons Toolkit has been used to inform the viability analysis. Indeed, the information provided by the WG with respect to their own viability assessment confirms that the default values from the Three Dragons model were used. In terms of the Three Dragons model, all the default values were discussed in detail with the Three Dragons consultancy when devising the Wales version of the Toolkit, and the Welsh Government was an integral part of the working group that was commissioned to formulate the Toolkit. The working group also had membership from the 10 local authorities in South East Wales, as well as the HBF and a wide range of attendees from the home building industry. Crucially, the final version of the Welsh version of the Toolkit was agreed by all parties involved in the working group, including the Welsh Government and therefore, the default values, including developer profit, were also agreed.

In this respect, the profit levels assumed in the Toolkit are minimum profit levels required by developers in order to ensure funding can be secured to allow developments to proceed. As we state above, this was agreed by all parties in the working group. As such, to now suggest that developer profit could somehow be reduced, in order to make the proposed regulation changes appear viable and deliverable, is clearly not a credible caveat to propose. We are also surprised that the Welsh Government would offer this caveat, given their detailed involvement in the creation of the Wales version of the Toolkit.

In light of the above, we believe it is important to stress that any proposed reduction in developer profit levels is simply not an option and would render the viability analysis unsound with respect to the assumptions used to inform it.

Further to this, the profit levels have also been confirmed to represent minimum requirements by banks and lending institutions. Indeed in some circumstances, particularly in West Wales where the majority of homes are constructed by smaller developers, lending institutions have stated that these profit levels would be insufficient to allow funding to be secured. In Ceredigion for example, lending institutions that were present at their Affordable Housing Viability Assessment meeting stated that a minimum of 25% gross profit would need to be demonstrated to allow a scheme to be considered viable. The developers at the meeting also confirmed this to be the case.

In light of the above, it is clear that there is very little, if any, scope to further reduce land values or developer profits in order to aid in the delivery of these proposals. In addition to this, given that the results of our viability analysis in Chapter 3 below, and also given the fact that the Welsh Government's own analysis of the viability of the proposals quite effectively demonstrates that proposed regulations are neither viable or achievable, we do not believe this simple caveat provides a sufficiently robust qualification to ensure that the proposals would indeed be deliverable in all areas across Wales.

2.1.2 Conflicting Political aspirations – the importance of affordable housing

We discuss above the importance attached to the delivery of affordable housing from a national and local government perspective. However, we believe these consultation proposals offer a complete different view of the importance attached to the affordable housing delivery, which directly conflicts with the view espoused by the Welsh Government.

We provide a more in depth analysis of the potential impact of the proposed regulations on affordable housing delivery within our section on *'the cumulative impact of regulation'* below. However, in the first instance, we believe it is important to consider the way in which the consultation deals with affordable housing and how affordable housing has been used, and is expected to be used, in order to make the proposed regulations changes appear viable and deliverable.

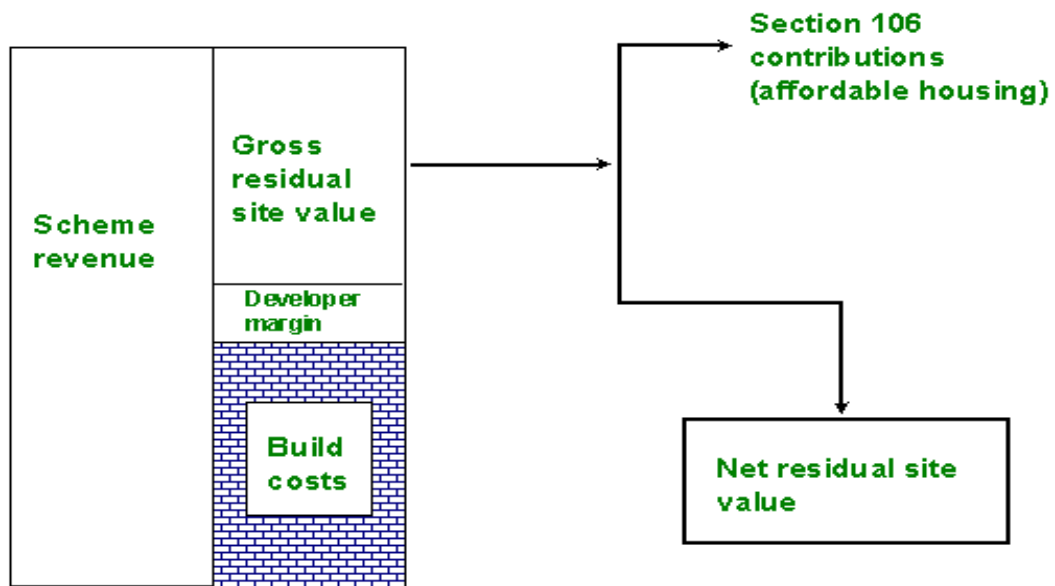
Firstly, the consultation information states that, in the quest to understand how the proposed regulation changes can be deemed viable and deliverable, the delivery of affordable housing has been considered to be a 'variable'. This will believe directly contradicts one of the primary objectives of the Welsh Government, which is to deliver an **increase** in affordable homes for the people of Wales. In this respect, we cannot understand how on the one hand the Welsh Government can attach such a significant priority to the delivery of affordable housing, but on the other hand consider the delivery of affordable housing to be a 'variable' in order to help deliver separate proposed policy and regulatory changes.

In terms of the above, the sixth bullet point under paragraph 95 of Section 1 of the consultation documentation perhaps provides the most damning indictment of importance attached to the delivery of affordable housing and how the proposals would impact on affordable housing delivery. This bullet point states that in addition to **no contribution to affordable housing** a reduction in developers profit or land value would be required if the development was to be considered viable.

In terms of this statement, we cannot understand how proposed regulatory changes can be issued by the Welsh Government that require affordable housing delivery to be abolished in order to ensure delivery. Notwithstanding the viability issues we outline above, (and in detail below), the Political message this send out is vastly at odds with everything we have heard on a national scale and everything that is being pursued at a local level. We have been informed that there is a certain amount of '*Political will*' behind the proposed regulation changes, however, we would argue that there is a lot more '*Political will*', both nationally and locally, behind the delivery of affordable housing. Furthermore, considering our viability analysis in Chapter 3 and the potential impact of the proposed changes on development viability, particularly in 'lower land value areas', (which are very much in the majority when it comes to the developable landscape of Wales), it is clear these proposals would result in a wholesale eradication of affordable housing delivery across Wales, which surely cannot be an acceptable consequence to bear. As a home building federation body, we strongly object to the proposals on these grounds.

In light of the above, we cannot understand how the Welsh Government can offer a 'preferred option' for regulatory change that seriously compromises the delivery of

The following diagram is given within each affordable housing viability assessment to illustrate the process.



Within each assessment, the above methodology is used to achieve a net residual land value. However, the Three Dragons assessment model assumes the test development site is a 'notional' 1 hectare site that is free from constraints and ready for development. As such, in order to ensure the viability assessment is realistic with respect to development in Wales, and in order to demonstrate the impact of the proposed regulatory changes, (and other development requirements) on the final residual value, it will be necessary to include some additional data into the assessment. We set this out in detail below.

a) Assumed cost of the proposed changes to Part L of Building Regulations and Fire Sprinklers

Firstly, we need to include the potential costs of the proposed changes to building regulations. In terms of the costs, there are several pieces of information provided in various parts of the consultation documentation that provide information on potential additional construction costs for the proposed changes. However, perhaps the most useful indication of costs is provided in Table 3.2 (repeated below), which provides an indication of the likely cost of the changes to Part L for different dwelling types, in addition to an average cost per dwelling.

In summary we believe:-

1. Both options would have a severe detrimental impact on land values and hence, the delivery of housing in Wales.
2. Both options would impact severely on the delivery of affordable housing in vast areas of Wales, which would directly conflict with a key national and local government priority. In this respect, both options would also seriously compromise the ability for the Welsh Government to honour the commitment to delivery 7500 affordable homes in the next 4 years.
3. Both options would place the home building and construction industries in Wales at a severe competitive disadvantage to our neighbours in England.
4. Both options would severely impact on the ability for local authorities, regions and Wales as a whole, with respect to job creation and attracting regeneration and investment.
5. Neither option would provide the most practical or feasible route to enable the Welsh Government to achieve the European target for 'near zero energy' by 2020.
6. Both options would represent a net cost to society, when the costs and benefits are analysed properly.
7. Both options have the potential to severely compromise the soundness of adopted and emerging LDPs in many areas of Wales.
8. Neither option would be practical in terms of ensuring delivery in all areas of Wales, particularly given the issues prevalent with the nature and topographic character of the potentially developable land in Wales.

Further to the above, clearly the additional requirement for fire suppression systems will further exacerbate the issues and concerns we describe above and therefore, we also do not believe this proposed change should be pursued through alterations to building regulations or via any other available means.

In terms of our proposed way forward on this matter, we do not believe the Welsh Government should pursue any changes to building regulations until there is clear and unequivocal evidence to demonstrate that any changes proposed would be viable, deliverable and appropriate for adoption in Wales.

End.

Richard Price

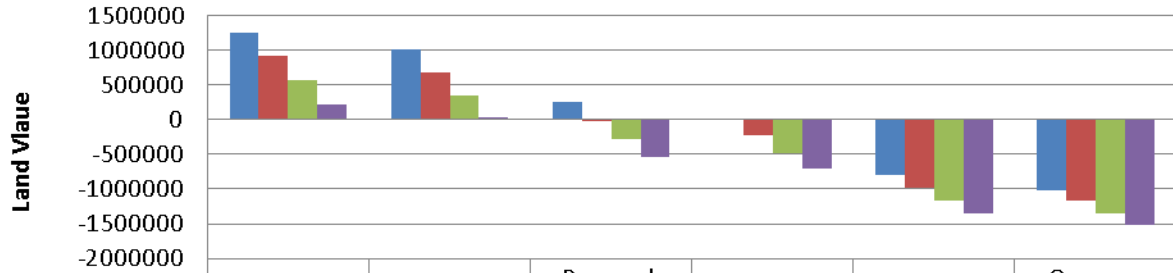
The Home Builders Federation

30th October 2012

APPENDIX 1

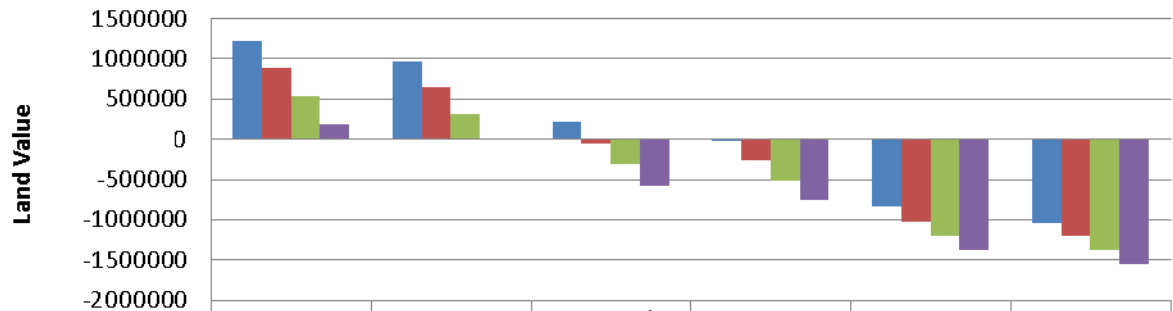
Bridgend

Bridgend residual values with 25% improvement



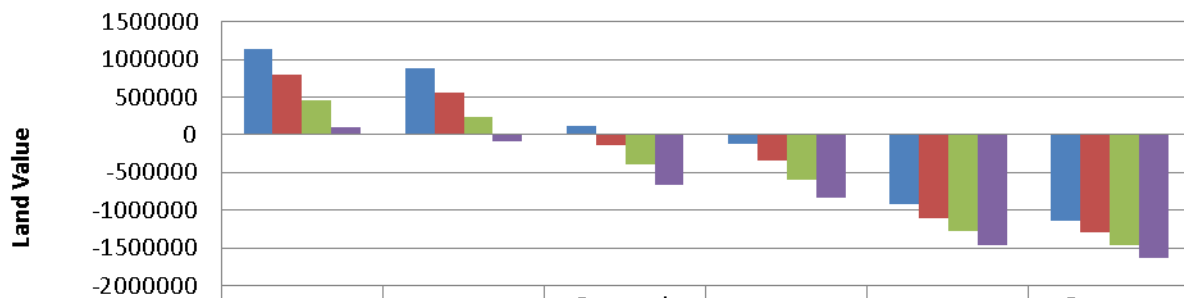
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|------------------|-----------|---------|------------------------|----------|-----------------|--------------------------------|
| ■ 0% Affordable | 1257180 | 1007180 | 247180 | 7180 | -792820 | -1012820 |
| ■ 10% Affordable | 917180 | 687180 | -12820 | -222820 | -982820 | -1172820 |
| ■ 20% Affordable | 577180 | 357180 | -272820 | -482820 | -1162820 | -1342820 |
| ■ 30% Affordable | 227180 | 37180 | -542820 | -712820 | -1342820 | -1512820 |

Bridgend residual values with 40% improvement



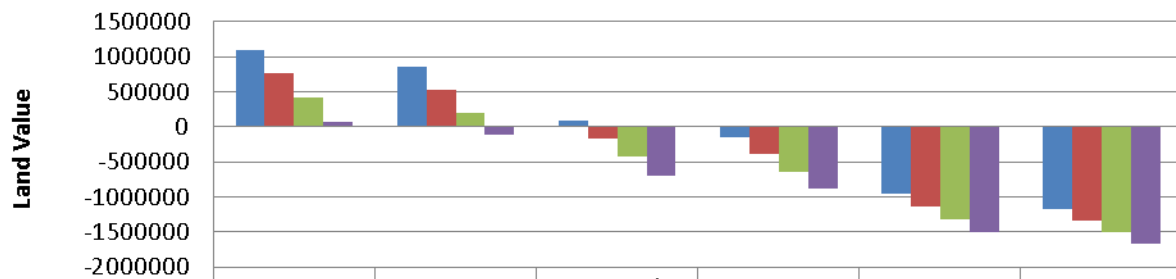
| | Porthcawl | Rural | Pencoed and Hinterland | Bridgend | Western Valleys | Ogmore, Garw & U Llynfi Valley |
|------------------|-----------|--------|------------------------|----------|-----------------|--------------------------------|
| ■ 0% Affordable | 1221180 | 971180 | 211180 | -28820 | -828820 | -1048820 |
| ■ 10% Affordable | 881180 | 651180 | -48820 | -258820 | -1018820 | -1208820 |
| ■ 20% Affordable | 541180 | 321180 | -308820 | -518820 | -1198820 | -1378820 |
| ■ 30% Affordable | 191180 | 1180 | -578820 | -748820 | -1378820 | -1548820 |

Bridgend residual values with 25% plus sprinklers



| | Porthcawl | Rural | Pencoed and Hinterland | Bridgend | Western Valleys | Ogmore, Garw & U Llynfi Valley |
|------------------|-----------|--------|------------------------|----------|-----------------|--------------------------------|
| ■ 0% Affordable | 1134180 | 884180 | 124180 | -115820 | -915820 | -1135820 |
| ■ 10% Affordable | 794180 | 564180 | -135820 | -345820 | -1105820 | -1295820 |
| ■ 20% Affordable | 454180 | 234180 | -395820 | -605820 | -1285820 | -1465820 |
| ■ 30% Affordable | 104180 | -85820 | -665820 | -835820 | -1465820 | -1635820 |

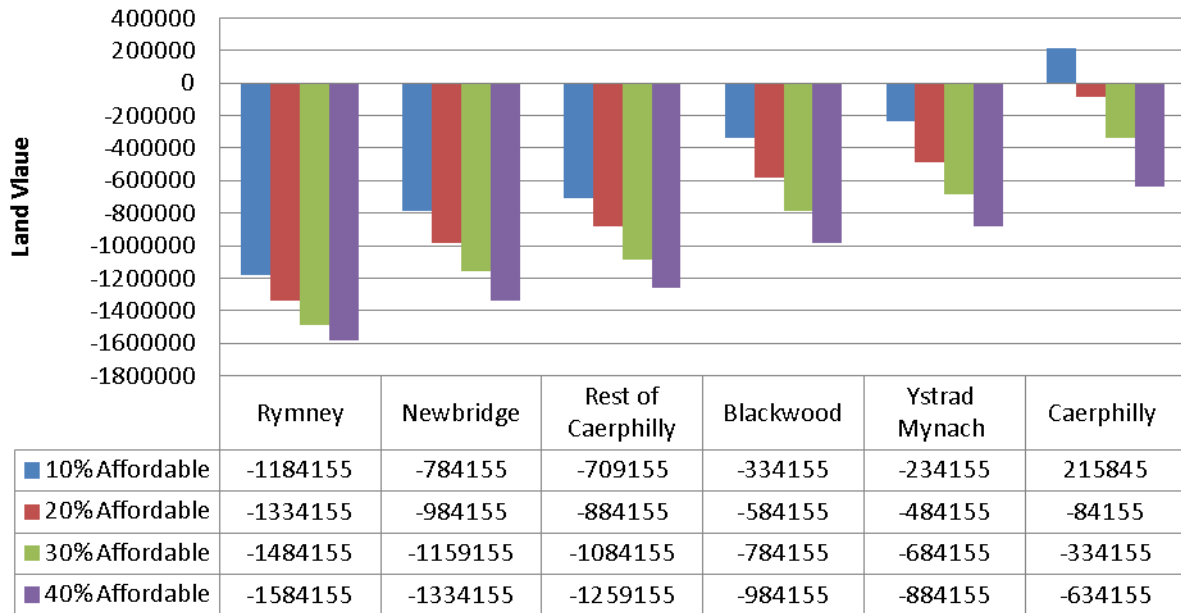
Bridgend residual values with 40% plus sprinklers



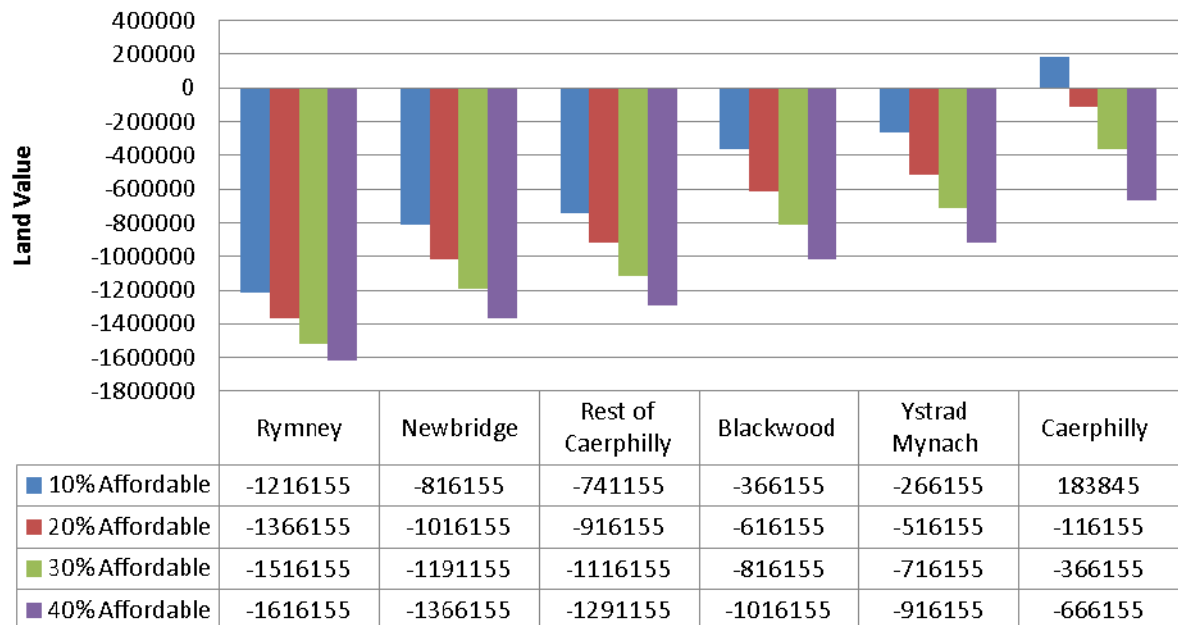
| | Porthcawl | Rural | Pencoed and Hinterland | Bridgend | Western Valleys | Ogmore, Garw & U Llynfi Valley |
|------------------|-----------|---------|------------------------|----------|-----------------|--------------------------------|
| ■ 0% Affordable | 1098180 | 848180 | 88180 | -151820 | -951820 | -1171820 |
| ■ 10% Affordable | 758180 | 528180 | -171820 | -381820 | -1141820 | -1331820 |
| ■ 20% Affordable | 418180 | 198180 | -431820 | -641820 | -1321820 | -1501820 |
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APPENDIX 2 Caerphilly

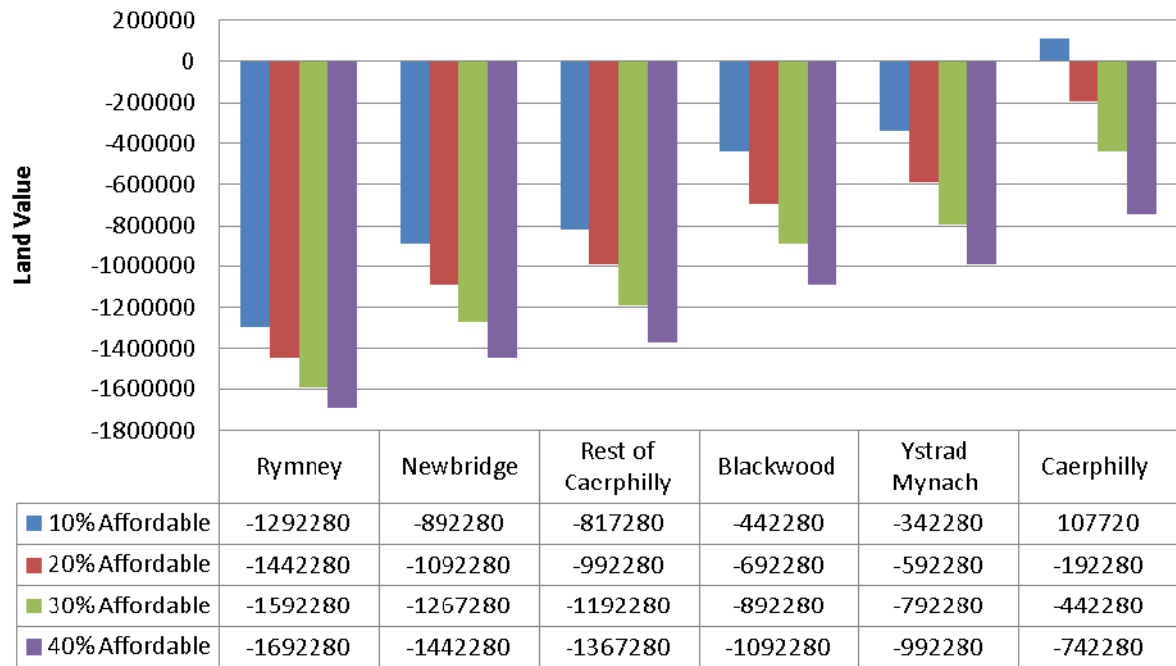
Caerphilly residual values with 25% improvement



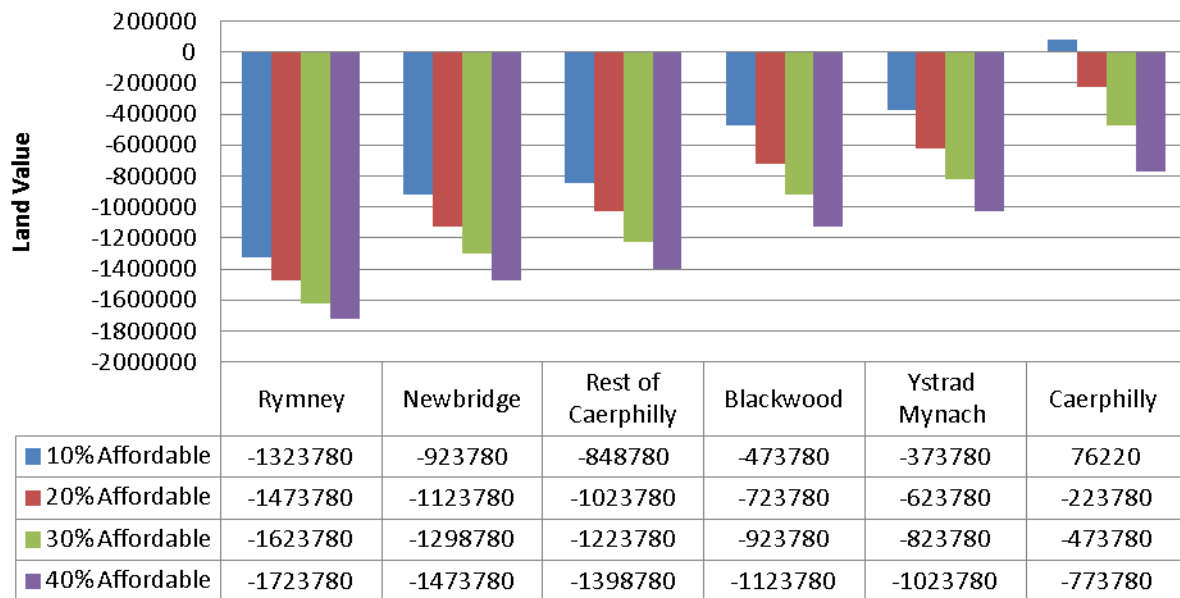
Caerphilly residual values with 40% improvement



Caerphilly residual values with 25% plus sprinklers

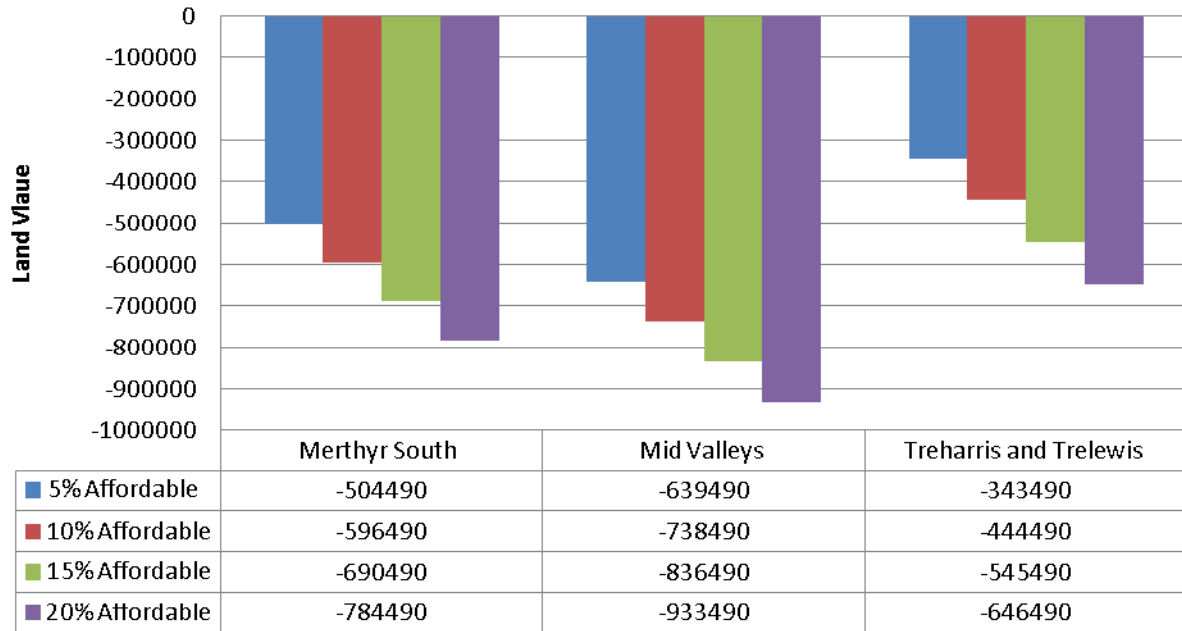


Caerphilly residual values with 40% plus sprinklers

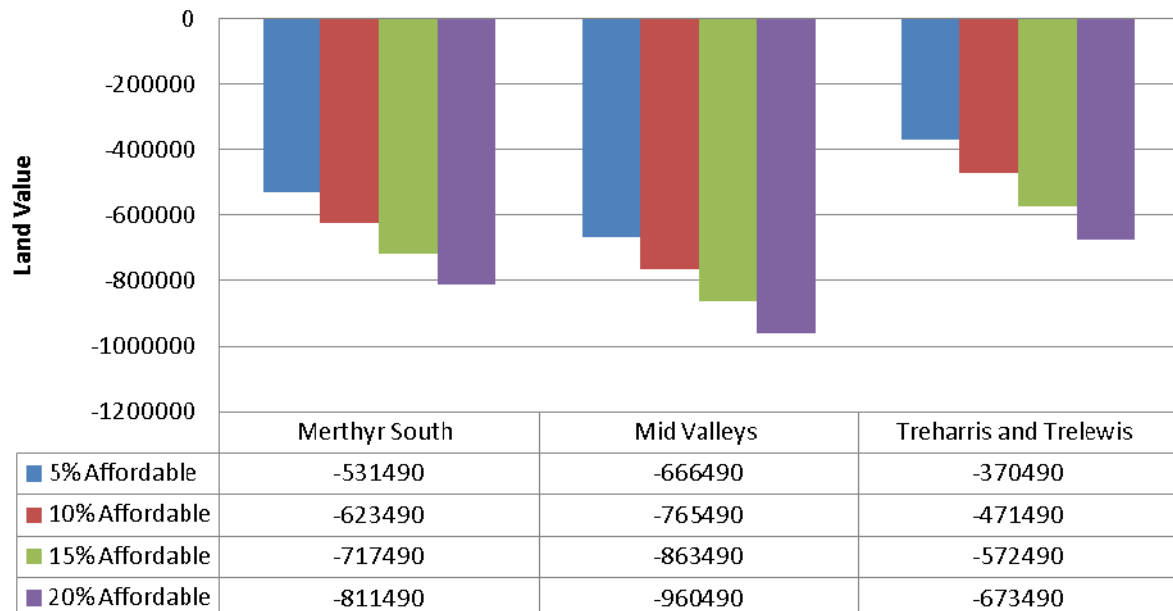


APPENDIX 3 Merthyr

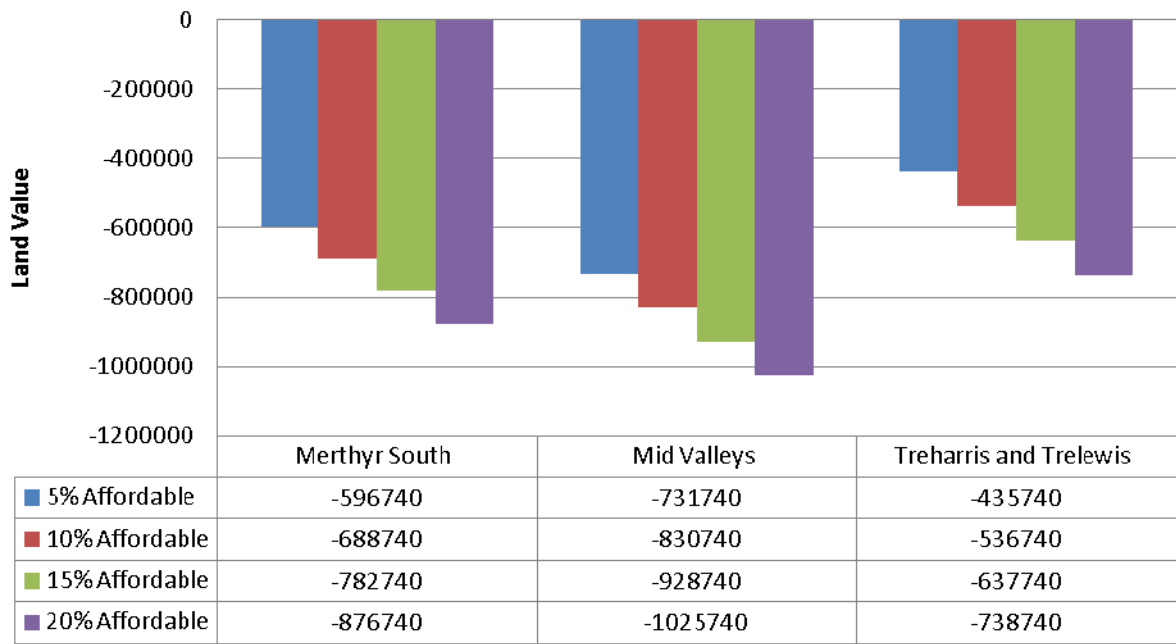
Merthyr residual values with 25% improvement



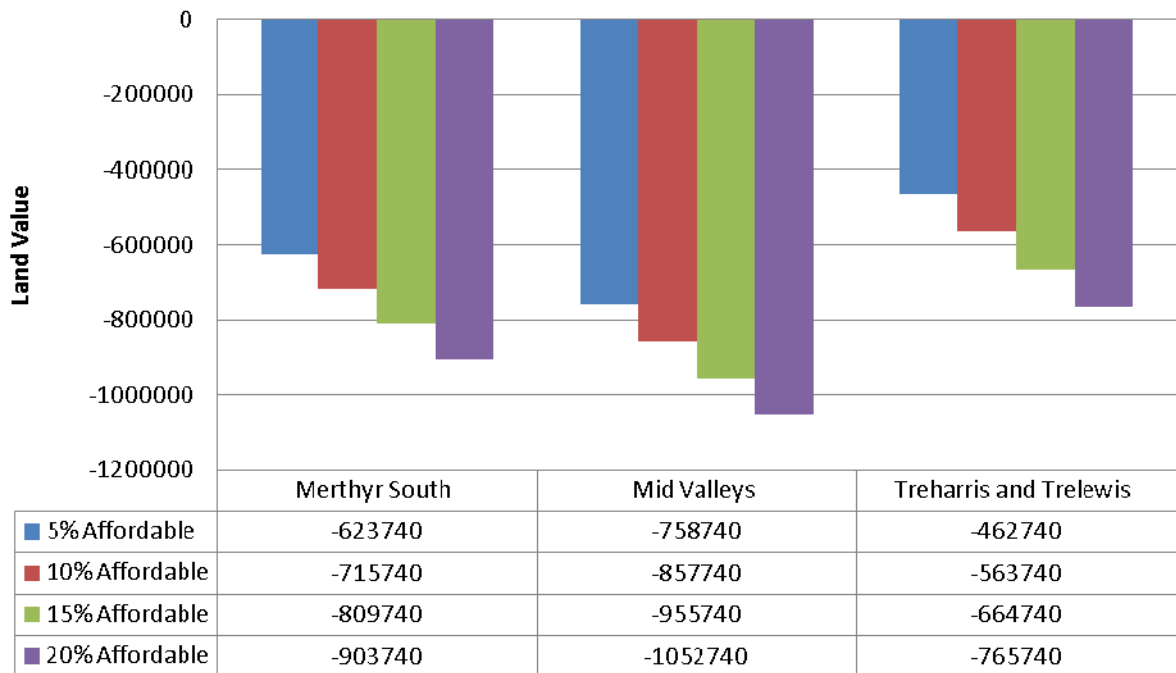
Merthyr residual values with 40% improvement



Merthyr residual values with 25% plus sprinklers

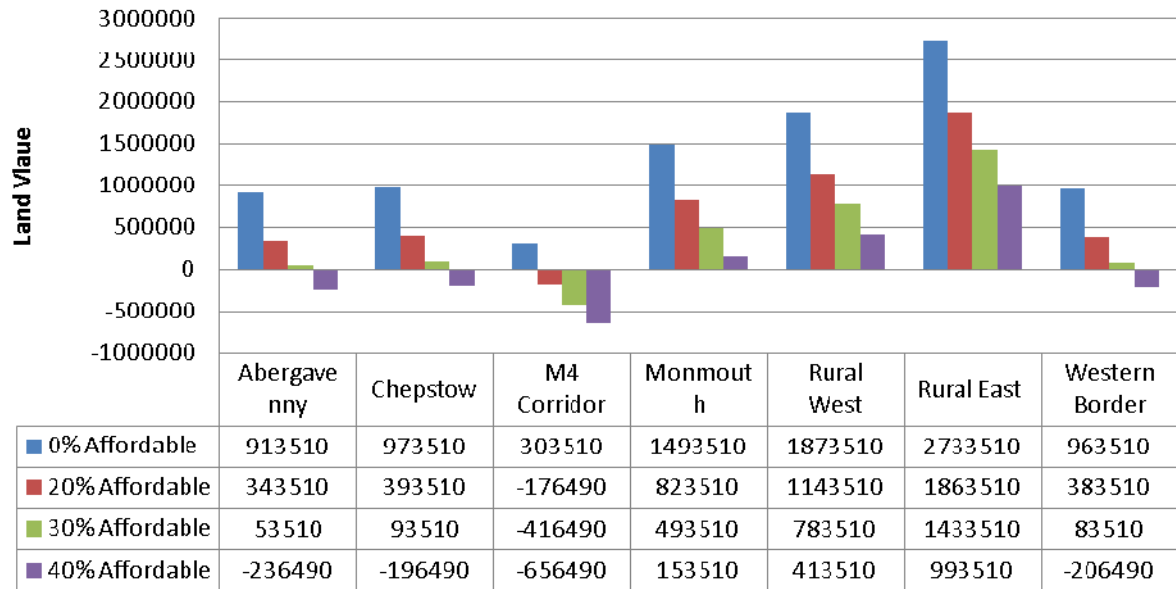


Merthyr residual values with 40% plus sprinklers

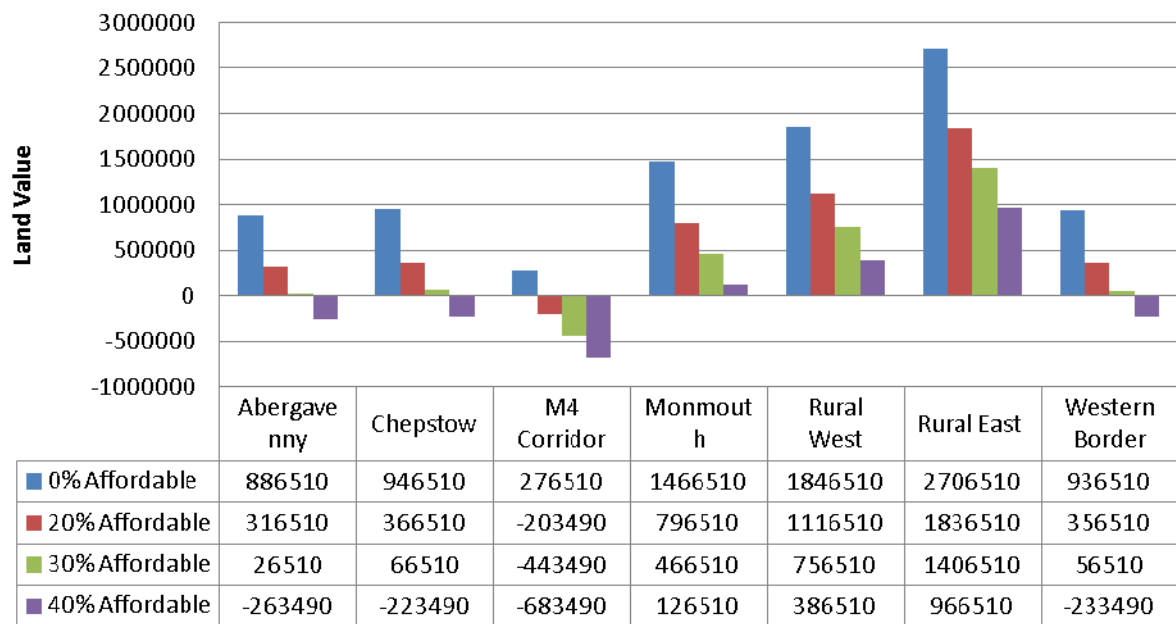


APPENDIX 4 Monmouthshire

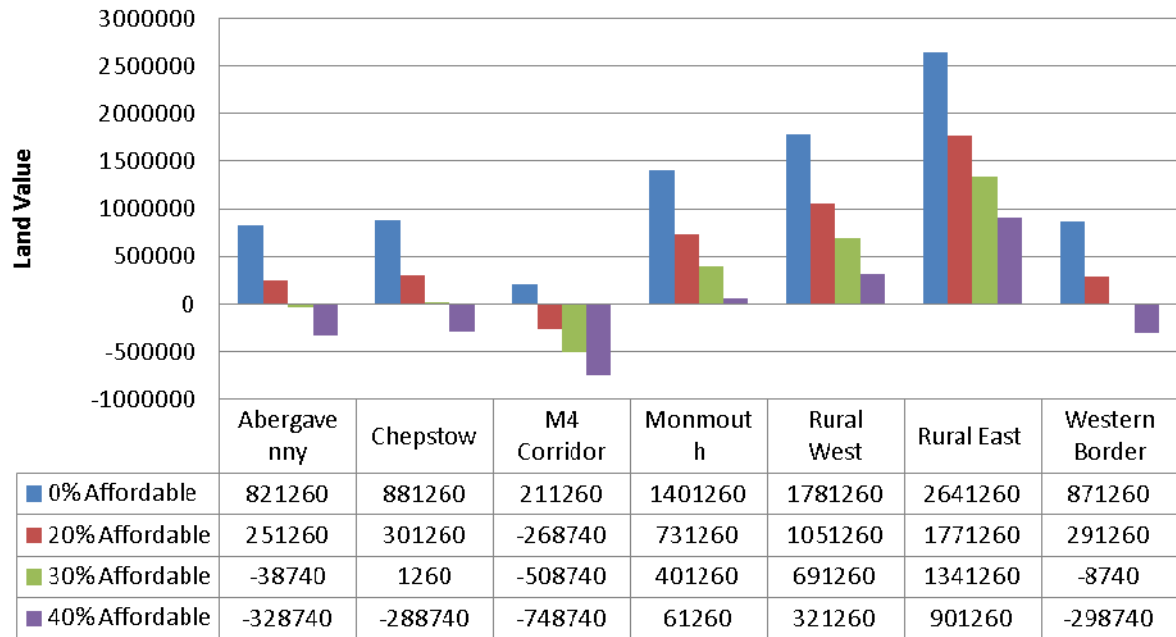
Monmouthshire residual values with 25% improvement



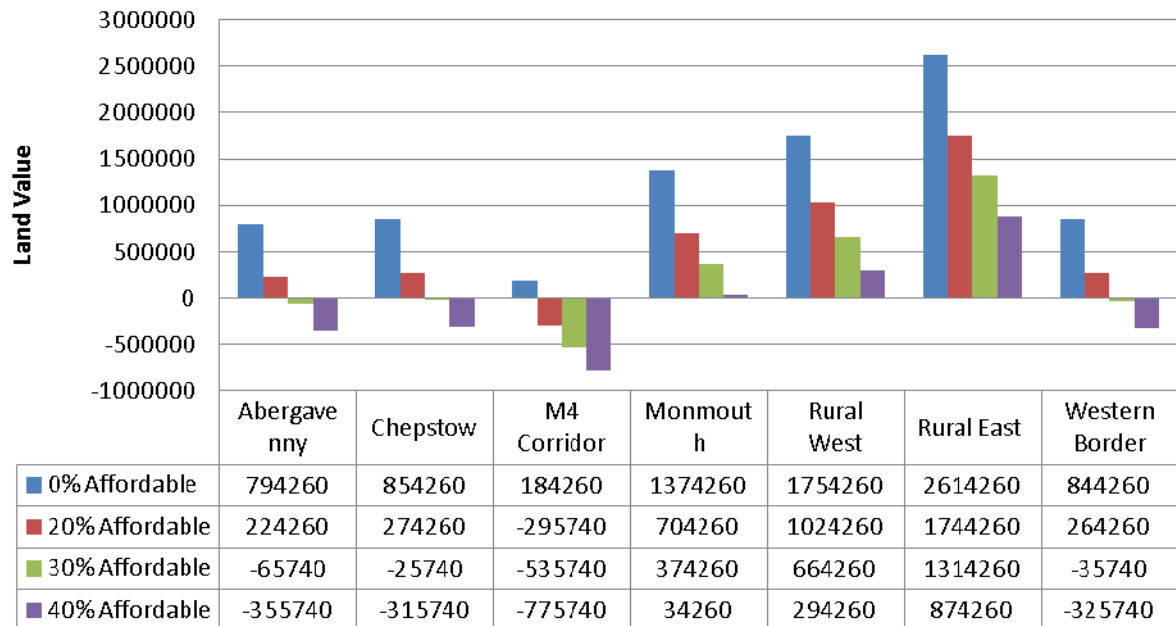
Monmouthshire residual values with 40% improvement



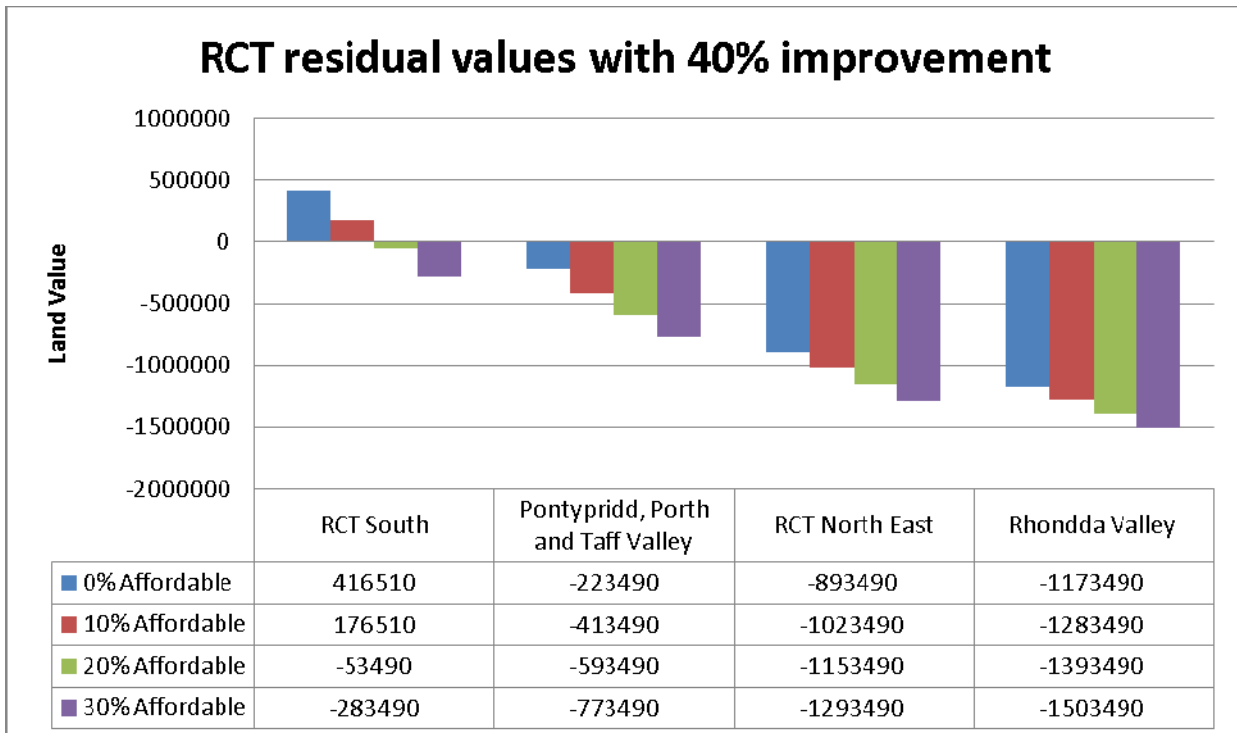
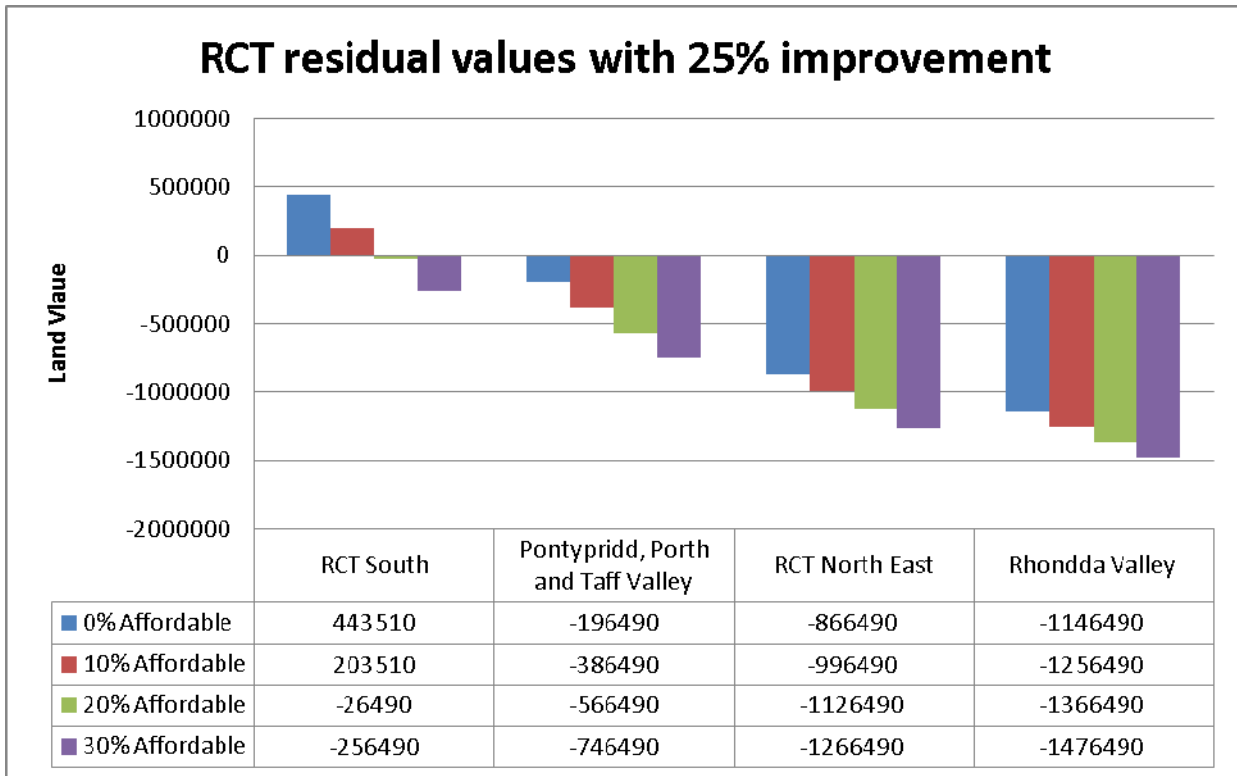
Monmouthshire residual values with 25% plus sprinklers



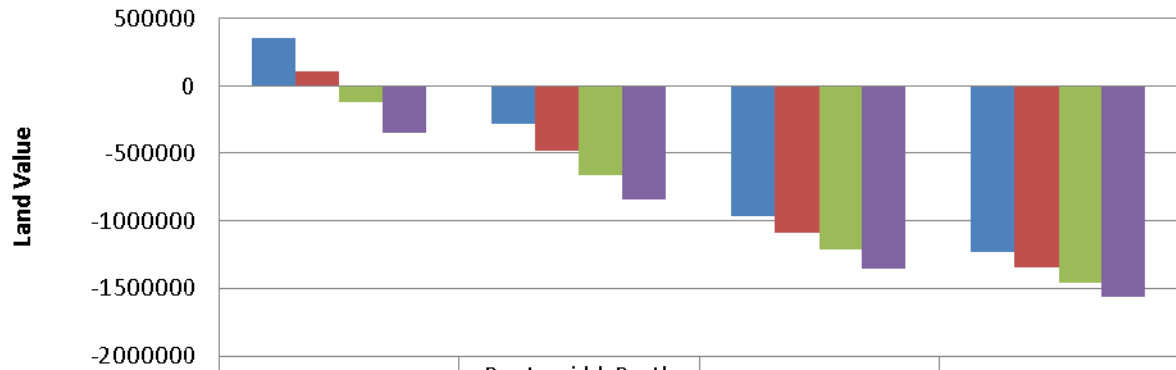
Monmouthshire residual values with 40% plus sprinklers



APPENDIX 5 RCT

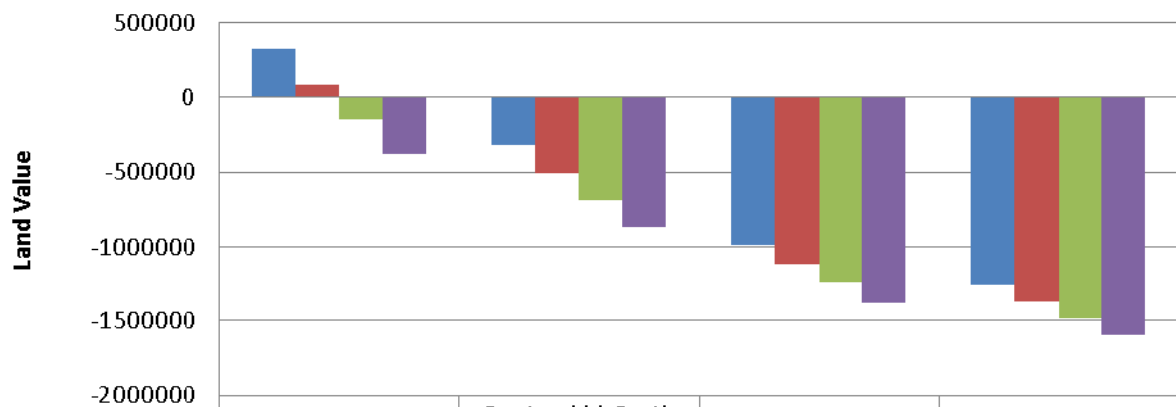


RCT residual values with 25% plus sprinklers



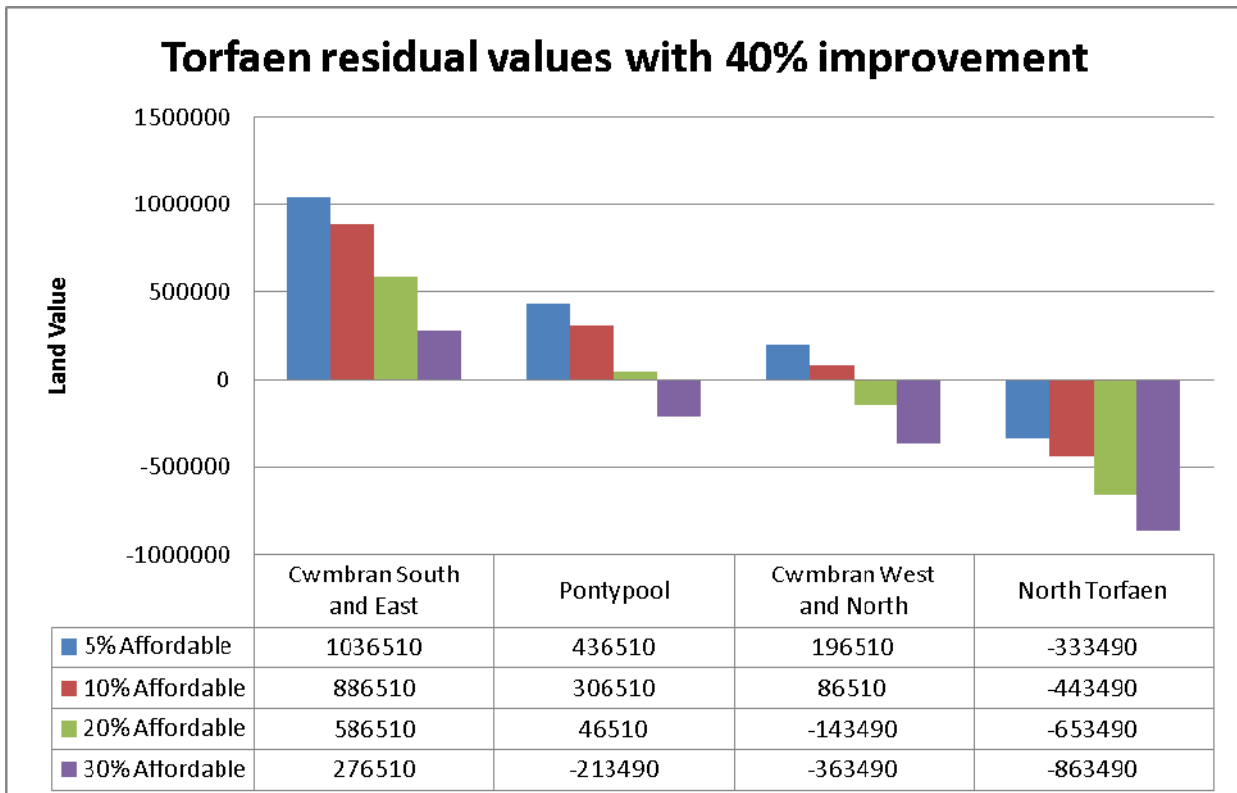
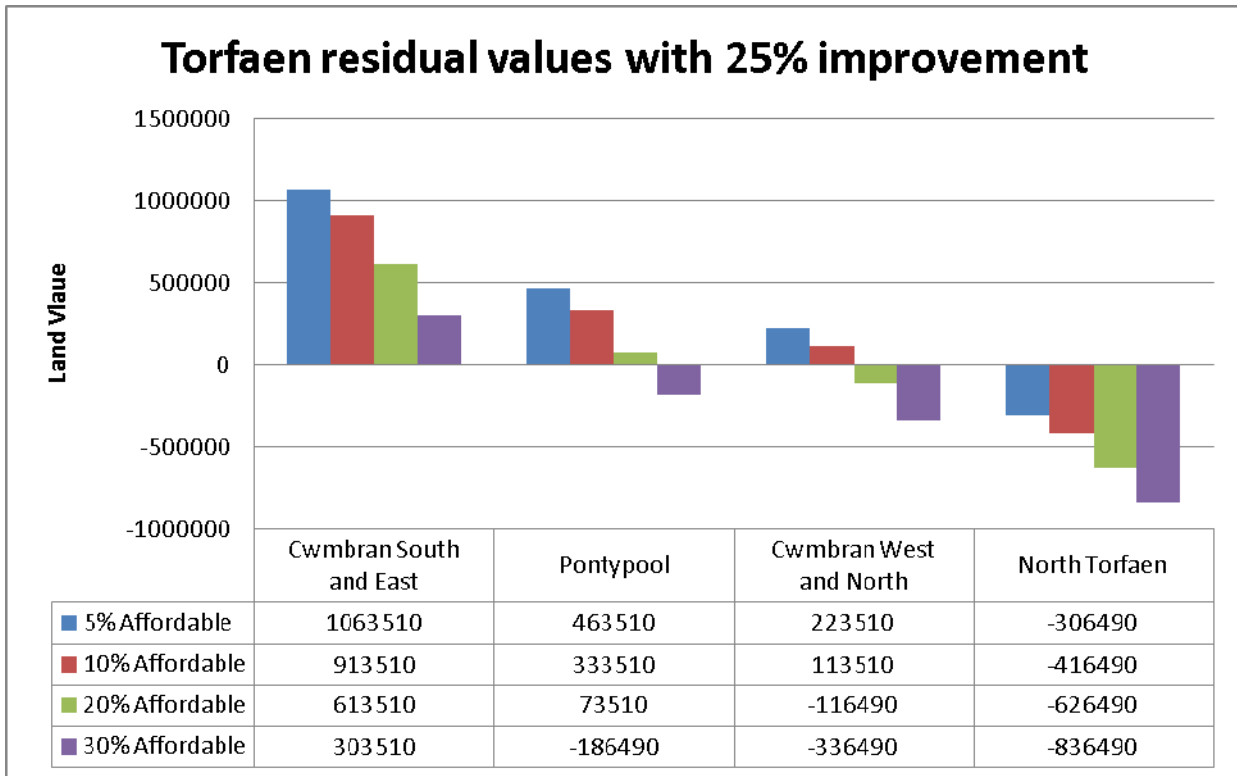
| | RCT South | Pontypridd, Porth and Taff Valley | RCT North East | Rhondda Valley |
|----------------|-----------|-----------------------------------|----------------|----------------|
| 0% Affordable | 351260 | -288740 | -958740 | -1238740 |
| 10% Affordable | 111260 | -478740 | -1088740 | -1348740 |
| 20% Affordable | -118740 | -658740 | -1218740 | -1458740 |
| 30% Affordable | -348740 | -838740 | -1358740 | -1568740 |

RCT residual values with 40% plus sprinklers



| | RCT South | Pontypridd, Porth and Taff Valley | RCT North East | Rhondda Valley |
|----------------|-----------|-----------------------------------|----------------|----------------|
| 0% Affordable | 324260 | -315740 | -985740 | -1265740 |
| 10% Affordable | 84260 | -505740 | -1115740 | -1375740 |
| 20% Affordable | -145740 | -685740 | -1245740 | -1485740 |
| 30% Affordable | -375740 | -865740 | -1385740 | -1595740 |

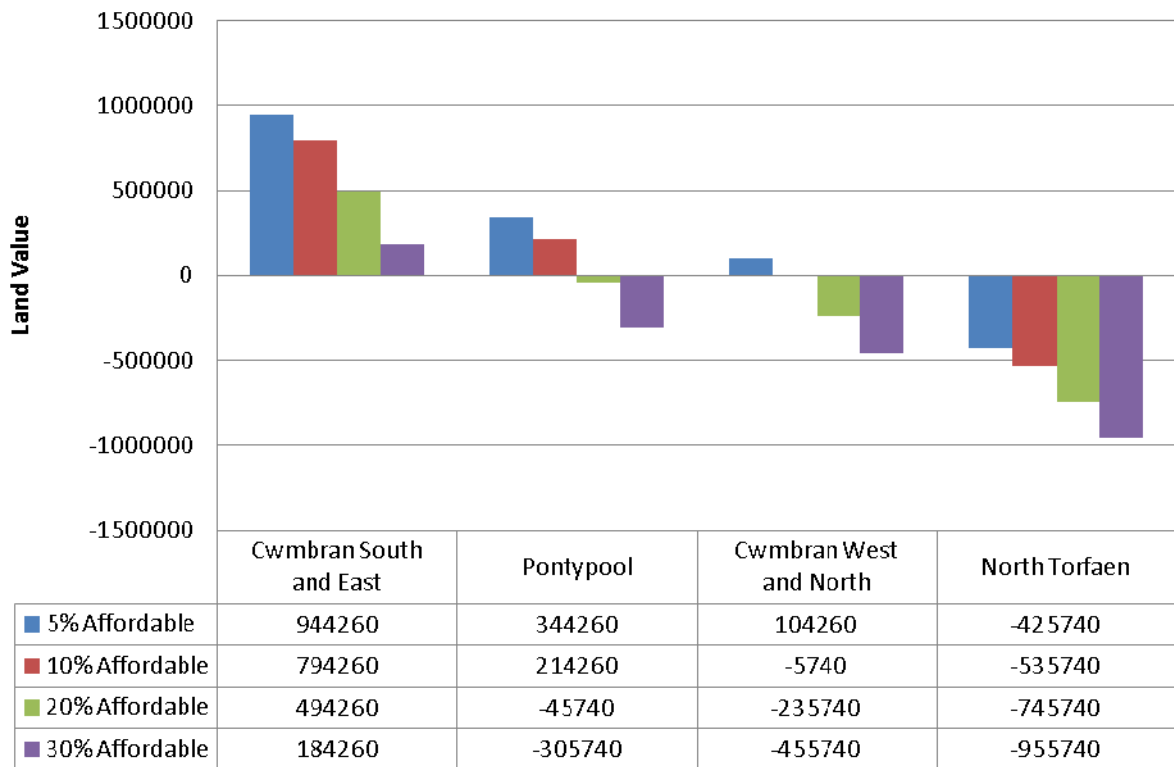
APPENDIX 6 Torfaen



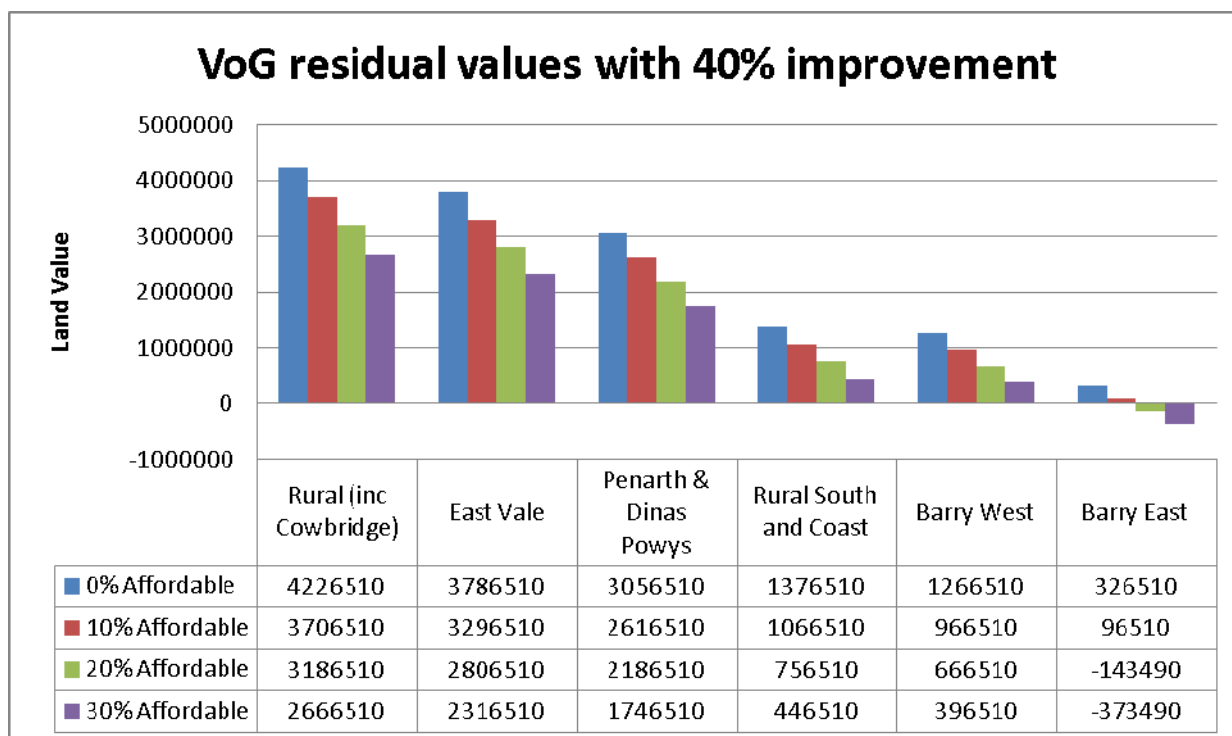
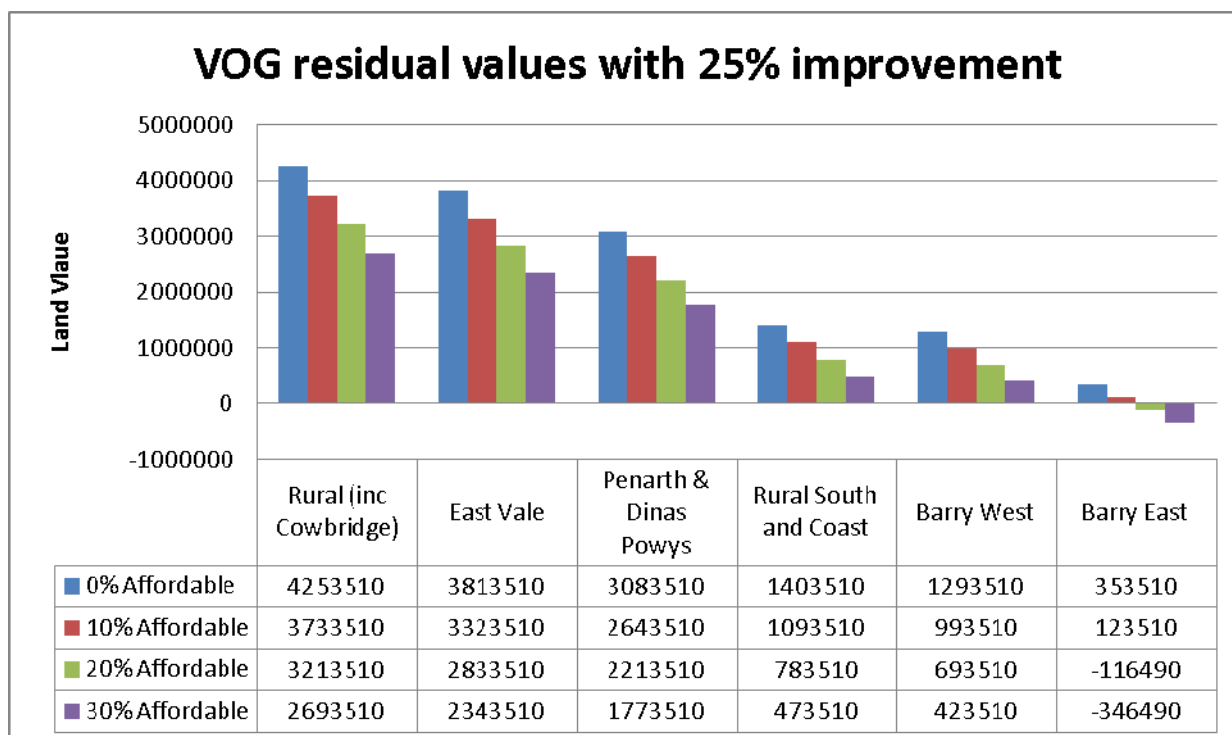
Torfaen residual values with 25% plus sprinklers



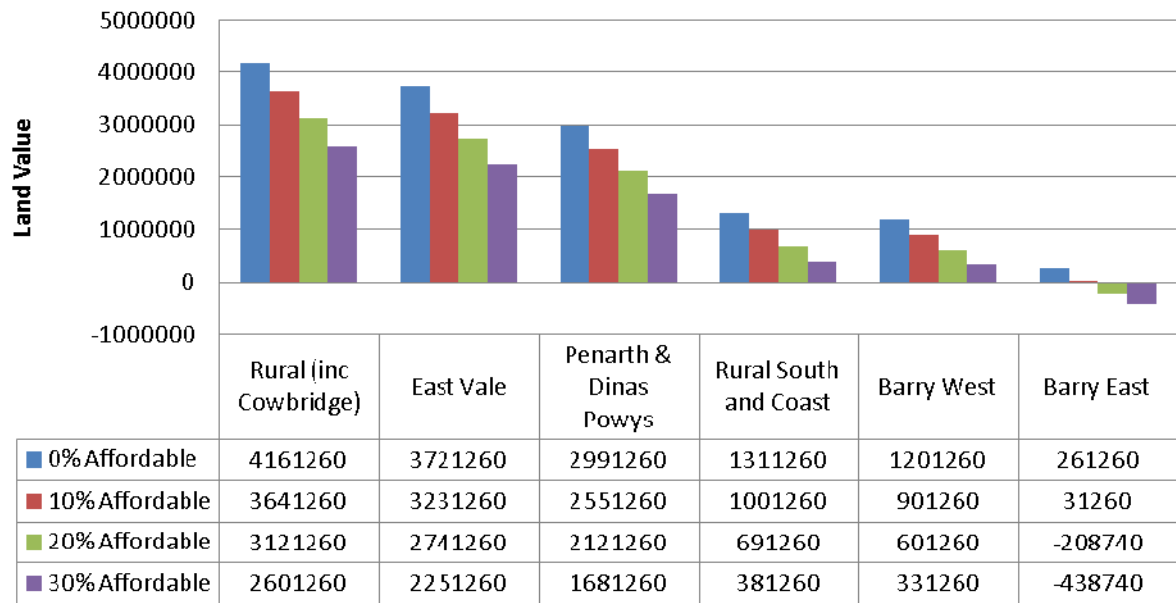
Torfaen residual values with 40% plus sprinklers



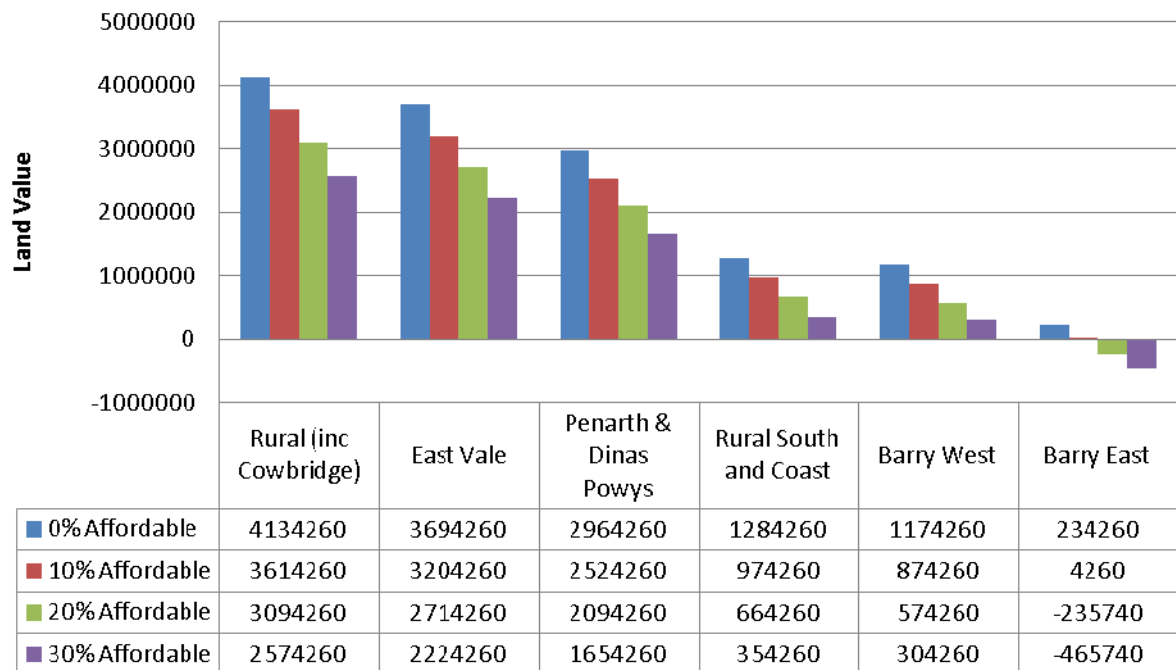
APPENDIX 7 Vale of Glamorgan



VoG residual values with 25% plus sprinklers

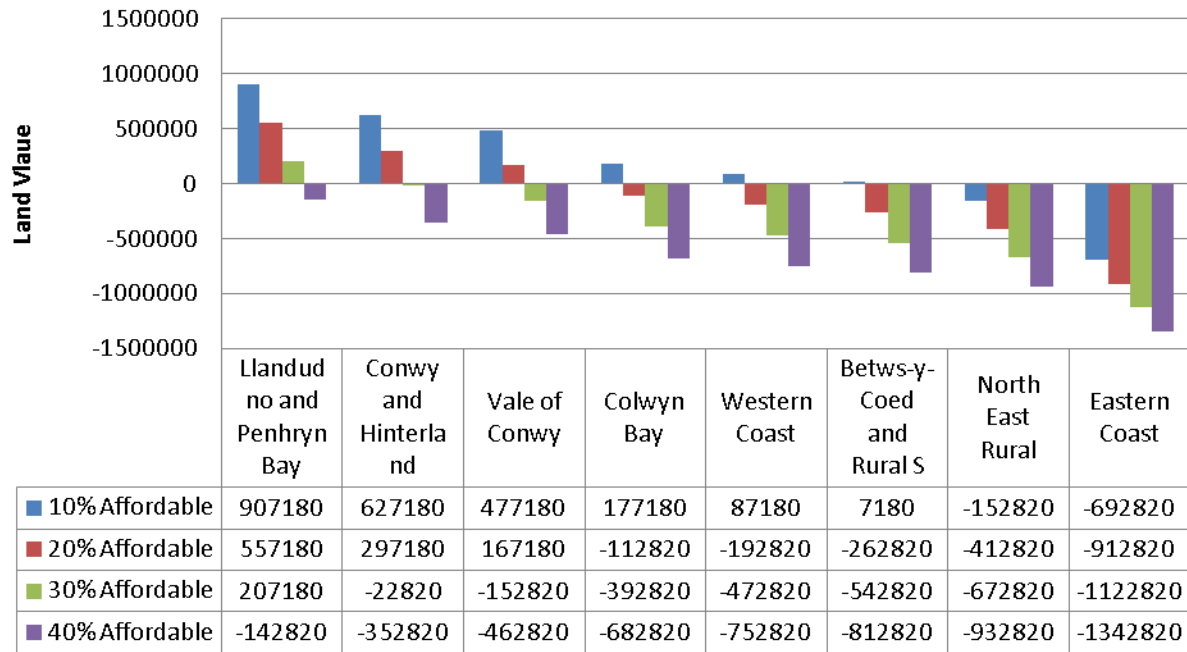


VoG residual values with 40% plus sprinklers

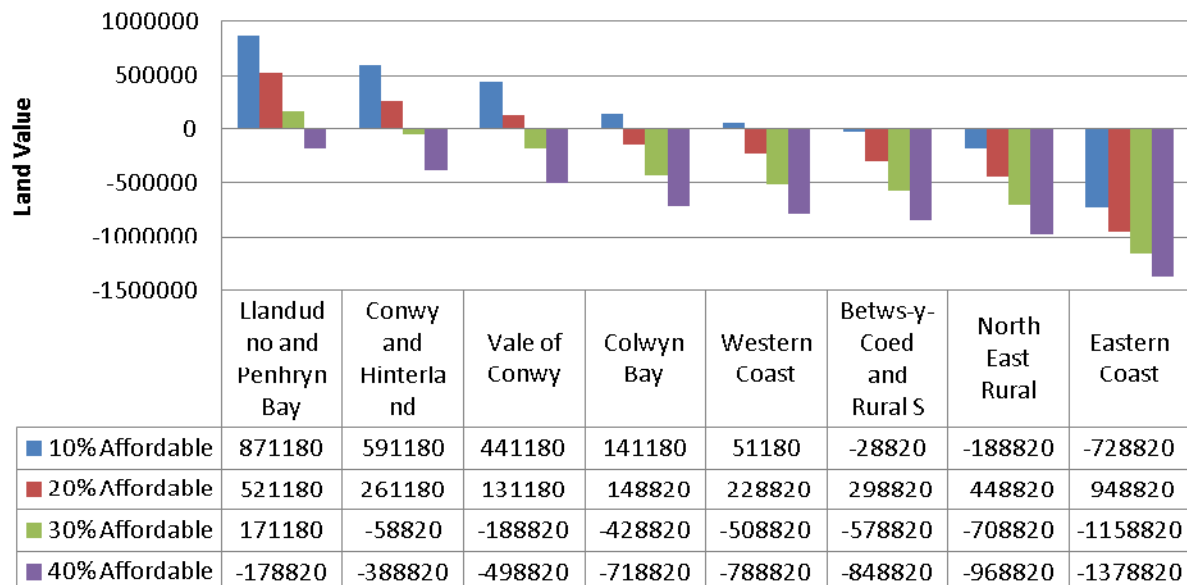


APPENDIX 8 Conwy

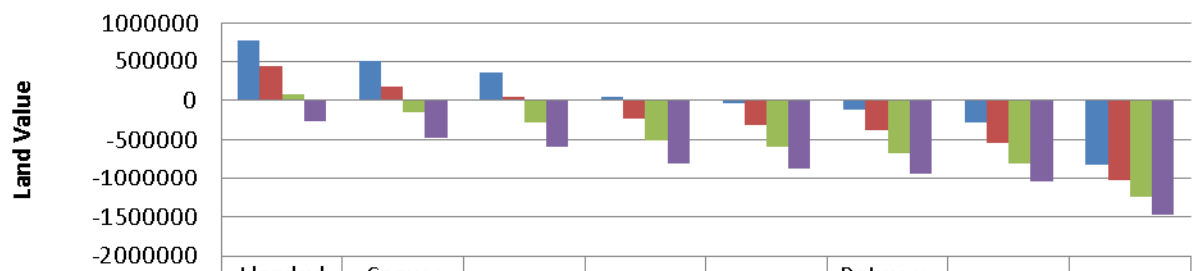
Conwy residual values with 25% improvement



Conwy residual values with 40% improvement

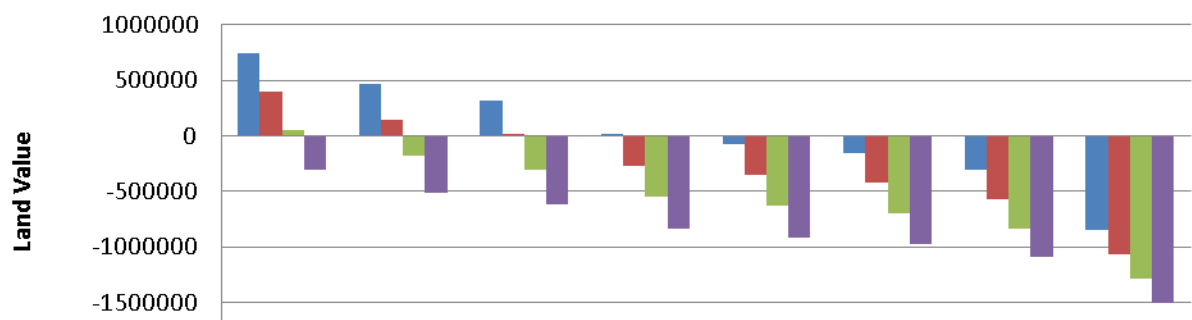


Conwy residual values with 25% plus sprinklers



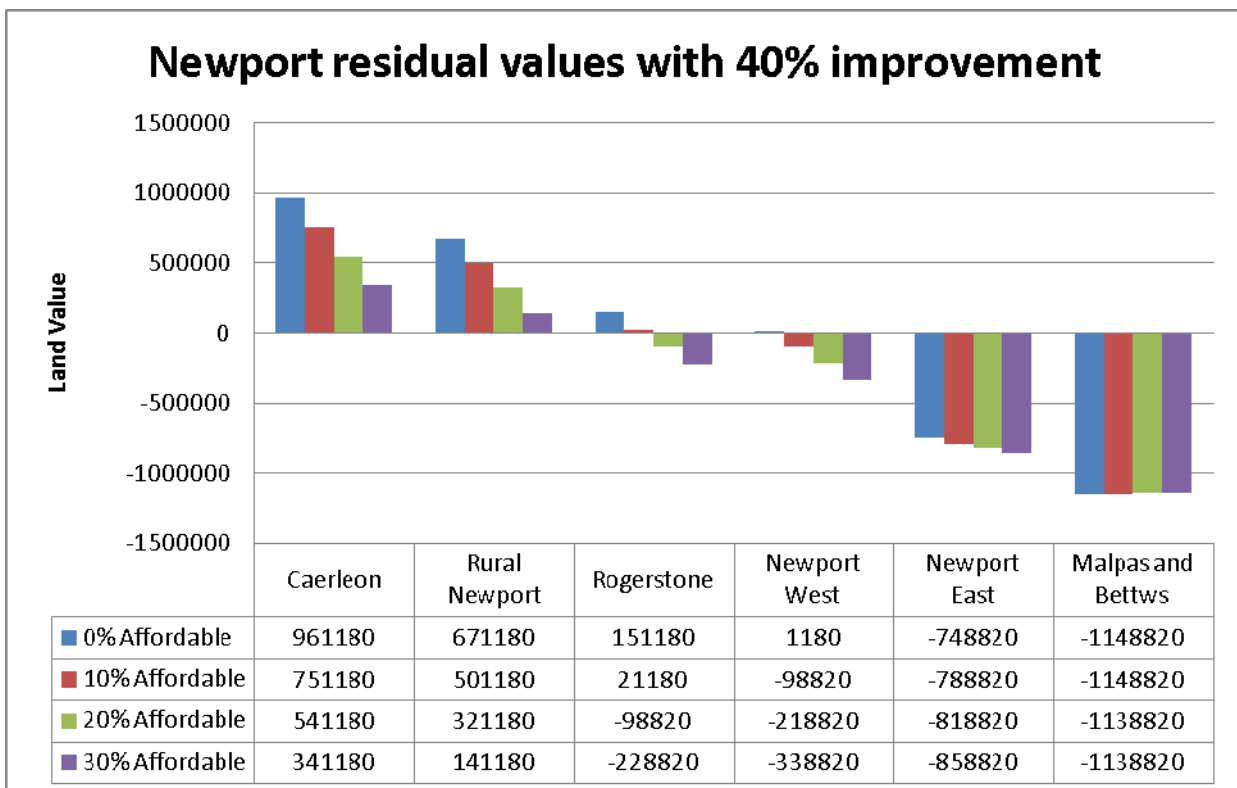
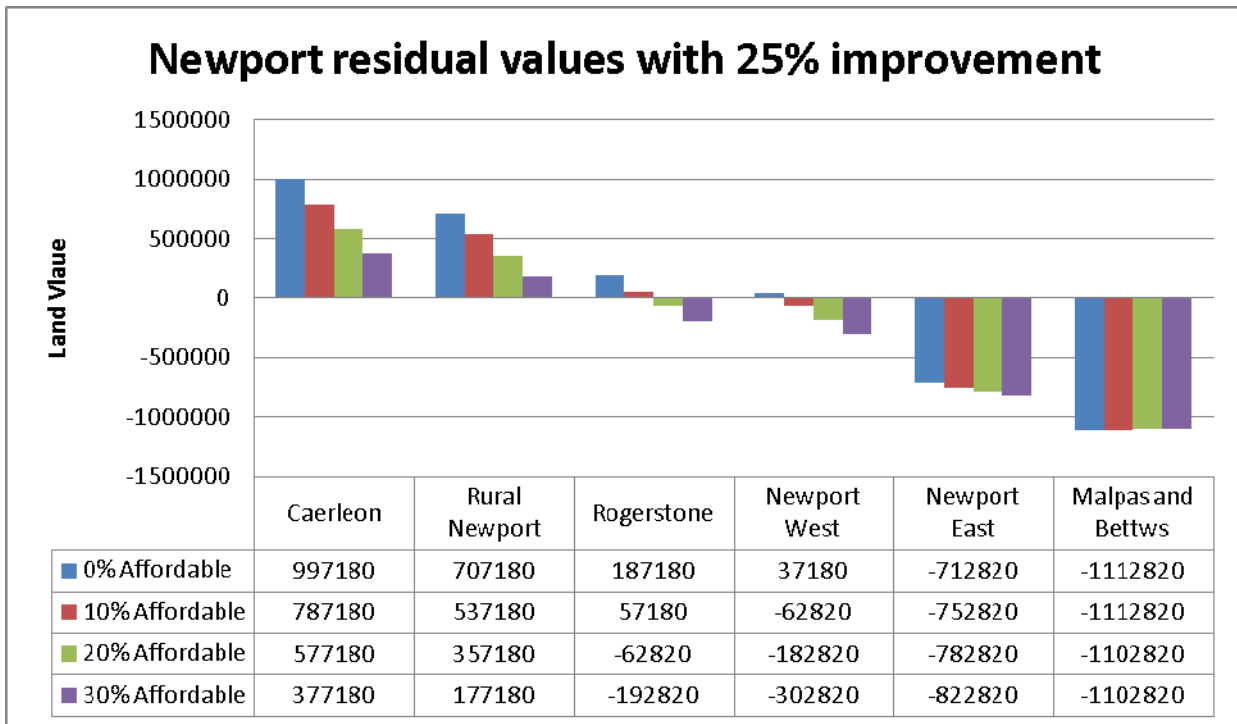
| | Llandudno and Penrhyn Bay | Conwy and Hinterland | Vale of Conwy | Colwyn Bay | Western Coast | Betws-y-Coed and Rural S | North East Rural | Eastern Coast |
|----------------|---------------------------|----------------------|---------------|------------|---------------|--------------------------|------------------|---------------|
| 10% Affordable | 784180 | 504180 | 354180 | 54180 | -35820 | -115820 | -275820 | -815820 |
| 20% Affordable | 434180 | 174180 | 44180 | -235820 | -315820 | -385820 | -535820 | -1035820 |
| 30% Affordable | 84180 | -145820 | -275820 | -515820 | -595820 | -665820 | -795820 | -1245820 |
| 40% Affordable | -265820 | -475820 | -585820 | -805820 | -875820 | -935820 | -1055820 | -1465820 |

Conwy residual values with 40% plus sprinklers

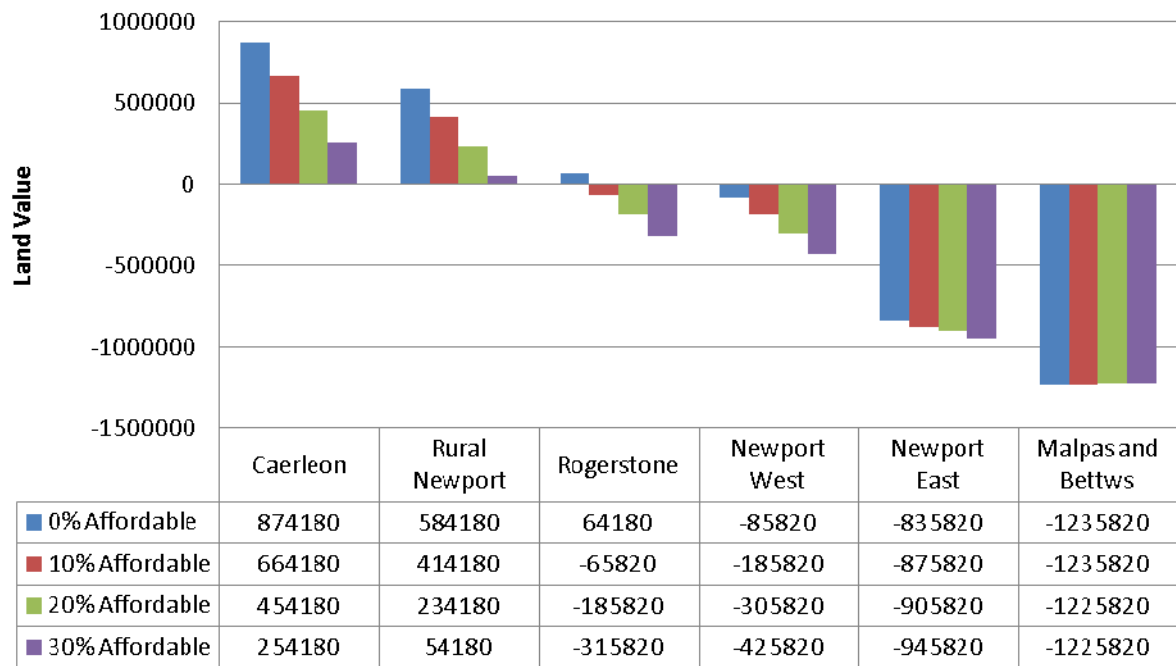


| | Llandudno and Penrhyn Bay | Conwy and Hinterland | Vale of Conwy | Colwyn Bay | Western Coast | Betws-y-Coed and Rural S | North East Rural | Eastern Coast |
|----------------|---------------------------|----------------------|---------------|------------|---------------|--------------------------|------------------|---------------|
| 10% Affordable | 748180 | 468180 | 318180 | 18180 | -71820 | -151820 | -311820 | -851820 |
| 20% Affordable | 398180 | 138180 | 8180 | -271820 | -351820 | -421820 | -571820 | -1071820 |
| 30% Affordable | 48180 | -181820 | -311820 | -551820 | -631820 | -701820 | -831820 | -1281820 |
| 40% Affordable | -301820 | -511820 | -621820 | -841820 | -911820 | -971820 | -1091820 | -1501820 |

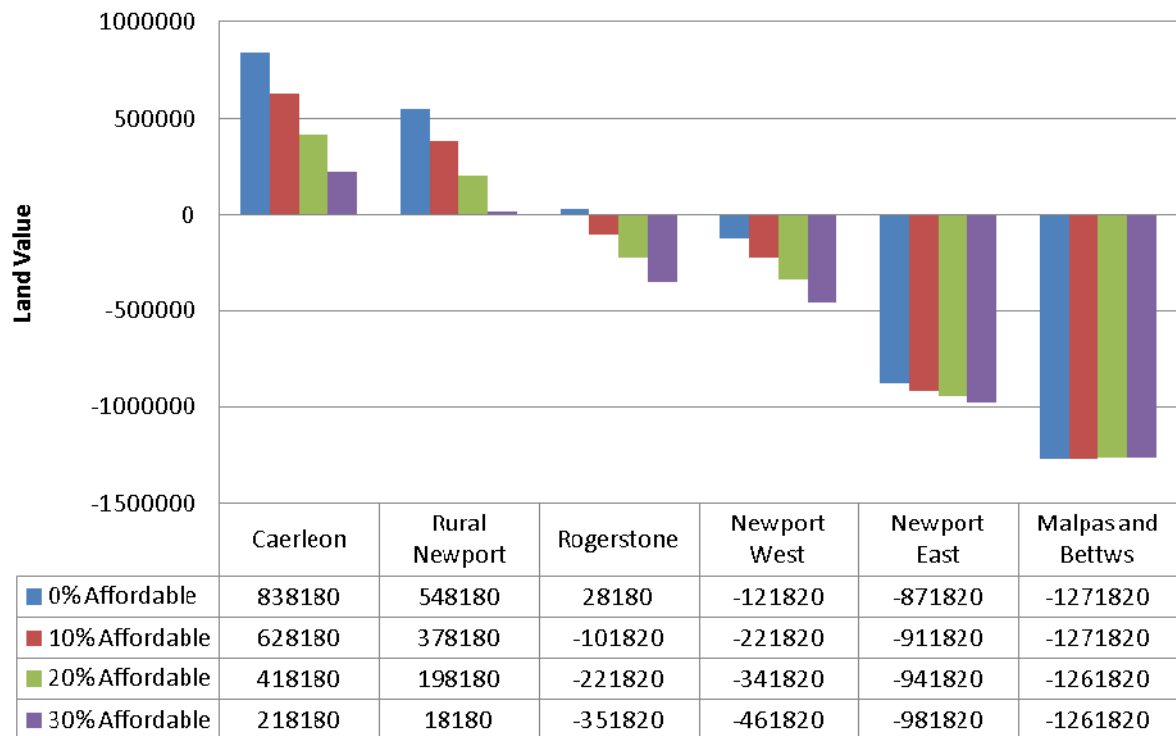
APPENDIX 9 Newport



Newport residual values with 25% plus sprinklers

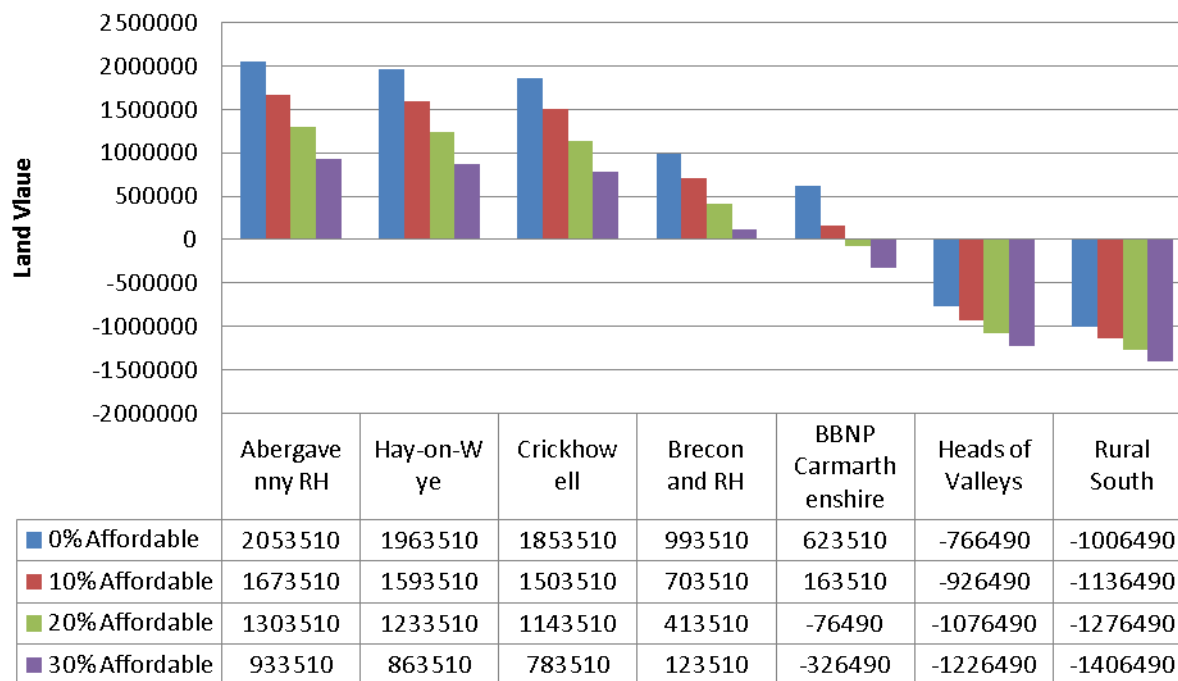


Newport residual values with 40% plus sprinklers

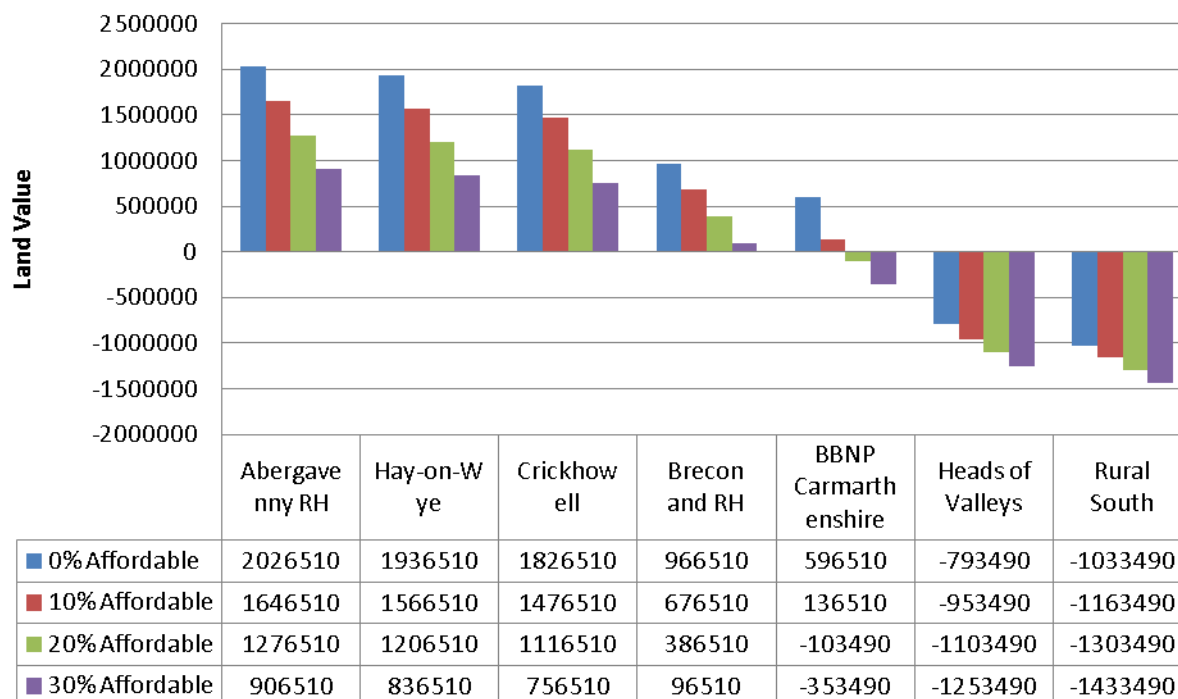


APPENDIX 10 Brecon Beacons National Park

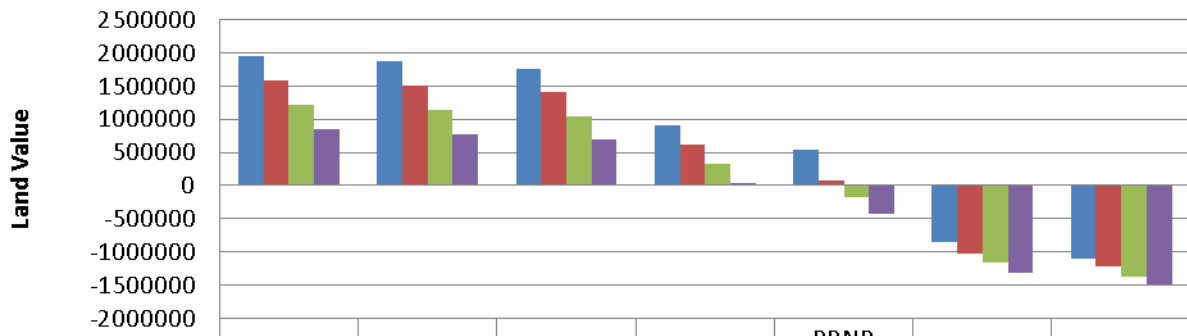
BBNP residual values with 25% improvement



BBNP residual values with 40% improvement

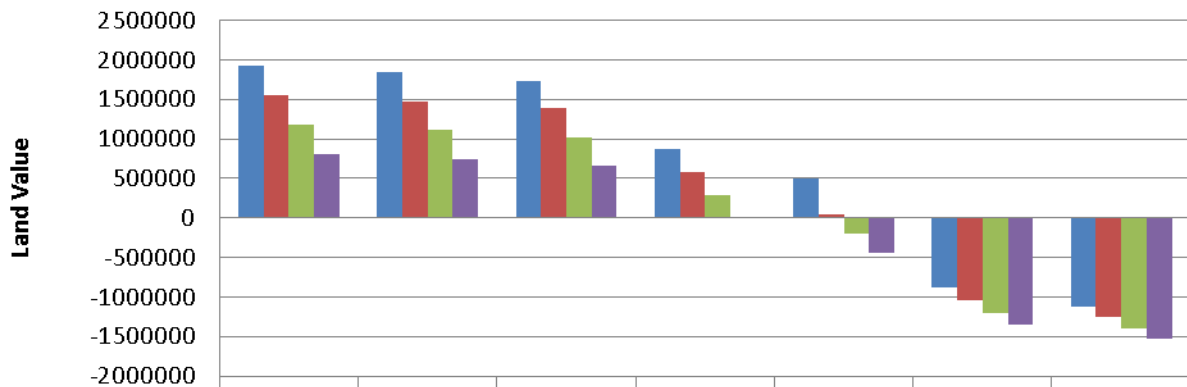


BBNP residual values with 25% plus sprinklers



| | Abergavenny RH | Hay-on-Wye | Crickhowell | Brecon and RH | BBNP Carmarthenshire | Heads of Valleys | Rural South |
|----------------|----------------|------------|-------------|---------------|----------------------|------------------|-------------|
| 0% Affordable | 1961260 | 1871260 | 1761260 | 901260 | 531260 | -858740 | -1098740 |
| 10% Affordable | 1581260 | 1501260 | 1411260 | 611260 | 71260 | -1018740 | -1228740 |
| 20% Affordable | 1211260 | 1141260 | 1051260 | 321260 | -168740 | -1168740 | -1368740 |
| 30% Affordable | 841260 | 771260 | 691260 | 31260 | -418740 | -1318740 | -1498740 |

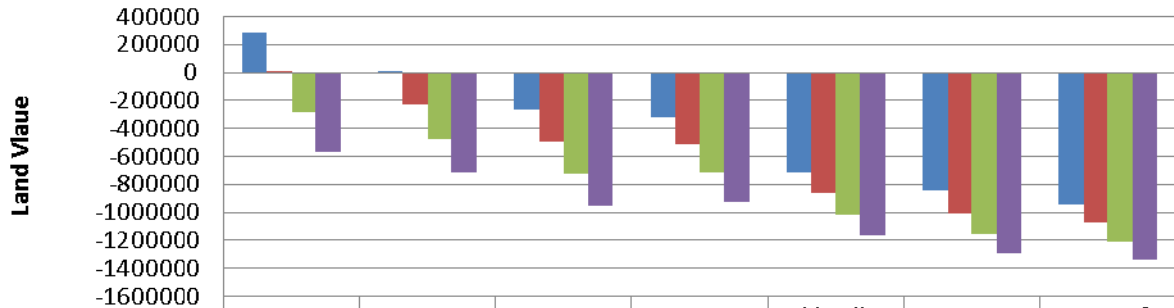
BBNP residual values with 40% plus sprinklers



| | Abergavenny RH | Hay-on-Wye | Crickhowell | Brecon and RH | BBNP Carmarthenshire | Heads of Valleys | Rural South |
|----------------|----------------|------------|-------------|---------------|----------------------|------------------|-------------|
| 0% Affordable | 1934260 | 1844260 | 1734260 | 874260 | 504260 | -885740 | -1125740 |
| 10% Affordable | 1554260 | 1474260 | 1384260 | 584260 | 44260 | -1045740 | -1255740 |
| 20% Affordable | 1184260 | 1114260 | 1024260 | 294260 | -195740 | -1195740 | -1395740 |
| 30% Affordable | 814260 | 744260 | 664260 | 4260 | -445740 | -1345740 | -1525740 |

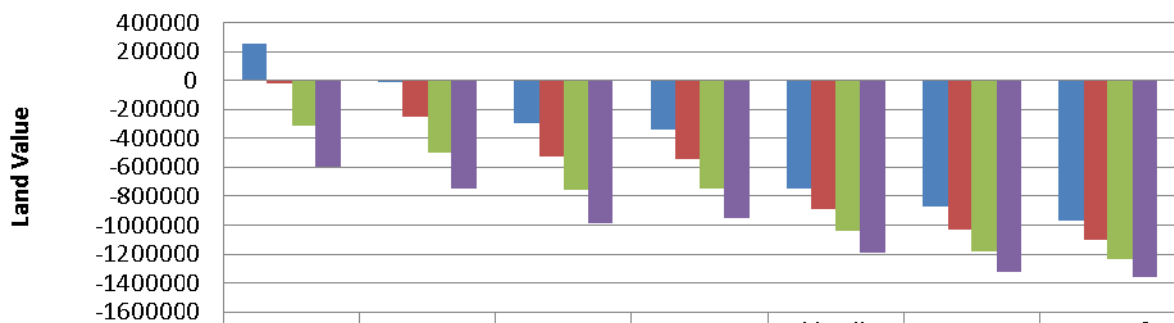
APPENDIX 11 Carmarthenshire

Carmarthenshire residual values with 25% improvement



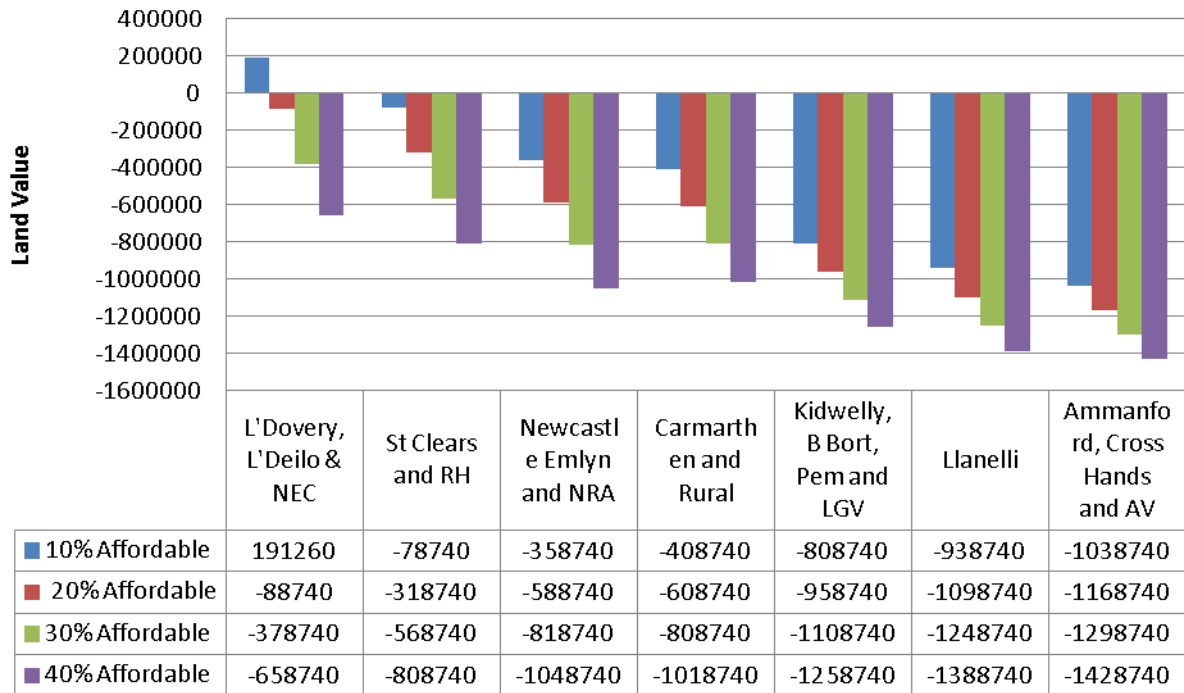
| | L'Doverly, L'Deilo & NEC | St Clears and RH | Newcastle Emlyn and NRA | Carmarthen and Rural | Kidwelly, B Bort, Pem and LGV | Llanelli | Ammanford, Cross Hands and AV |
|----------------|--------------------------|------------------|-------------------------|----------------------|-------------------------------|----------|-------------------------------|
| 10% Affordable | 283 510 | 13 510 | -266490 | -316490 | -716490 | -846490 | -946490 |
| 20% Affordable | 3 510 | -226490 | -496490 | -516490 | -866490 | -1006490 | -1076490 |
| 30% Affordable | -286490 | -476490 | -726490 | -716490 | -1016490 | -1156490 | -1206490 |
| 40% Affordable | -566490 | -716490 | -956490 | -926490 | -1166490 | -1296490 | -1336490 |

Carmarthenshire residual values with 40% improvement

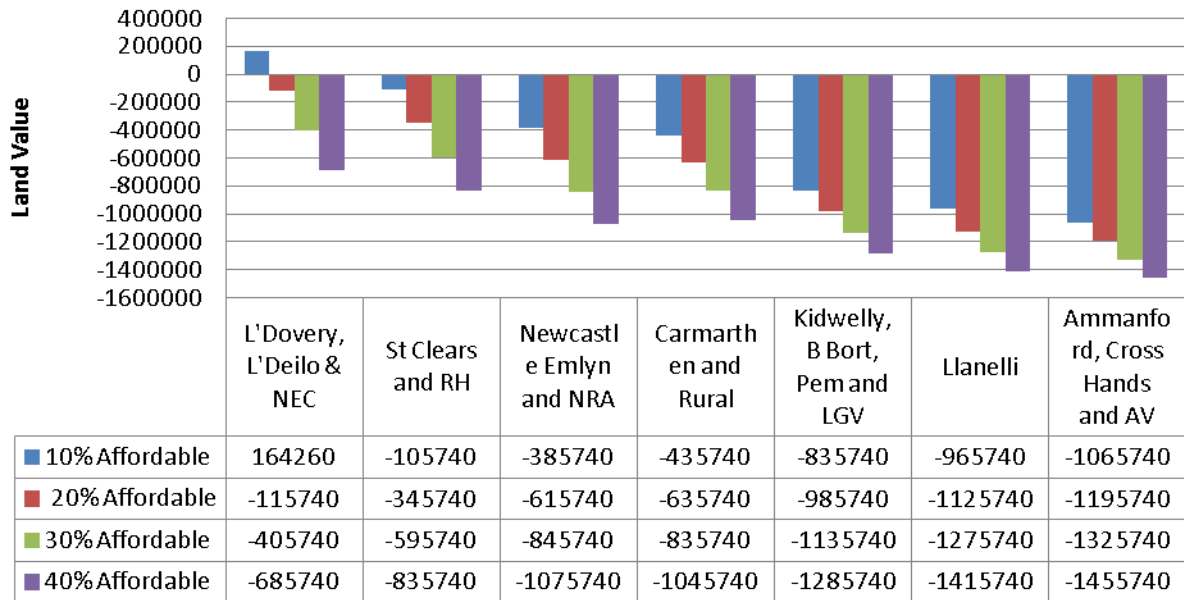


| | L'Doverly, L'Deilo & NEC | St Clears and RH | Newcastle Emlyn and NRA | Carmarthen and Rural | Kidwelly, B Bort, Pem and LGV | Llanelli | Ammanford, Cross Hands and AV |
|----------------|--------------------------|------------------|-------------------------|----------------------|-------------------------------|-----------|-------------------------------|
| 10% Affordable | 256 510 | -13 490 | -293 490 | -343 490 | -743 490 | -873 490 | -973 490 |
| 20% Affordable | -23 490 | -253 490 | -523 490 | -543 490 | -893 490 | -1033 490 | -1103 490 |
| 30% Affordable | -313 490 | -503 490 | -753 490 | -743 490 | -1043 490 | -1183 490 | -1233 490 |
| 40% Affordable | -593 490 | -743 490 | -983 490 | -953 490 | -1193 490 | -1323 490 | -1363 490 |

Carmarthenshire residual values with 25% plus sprinklers

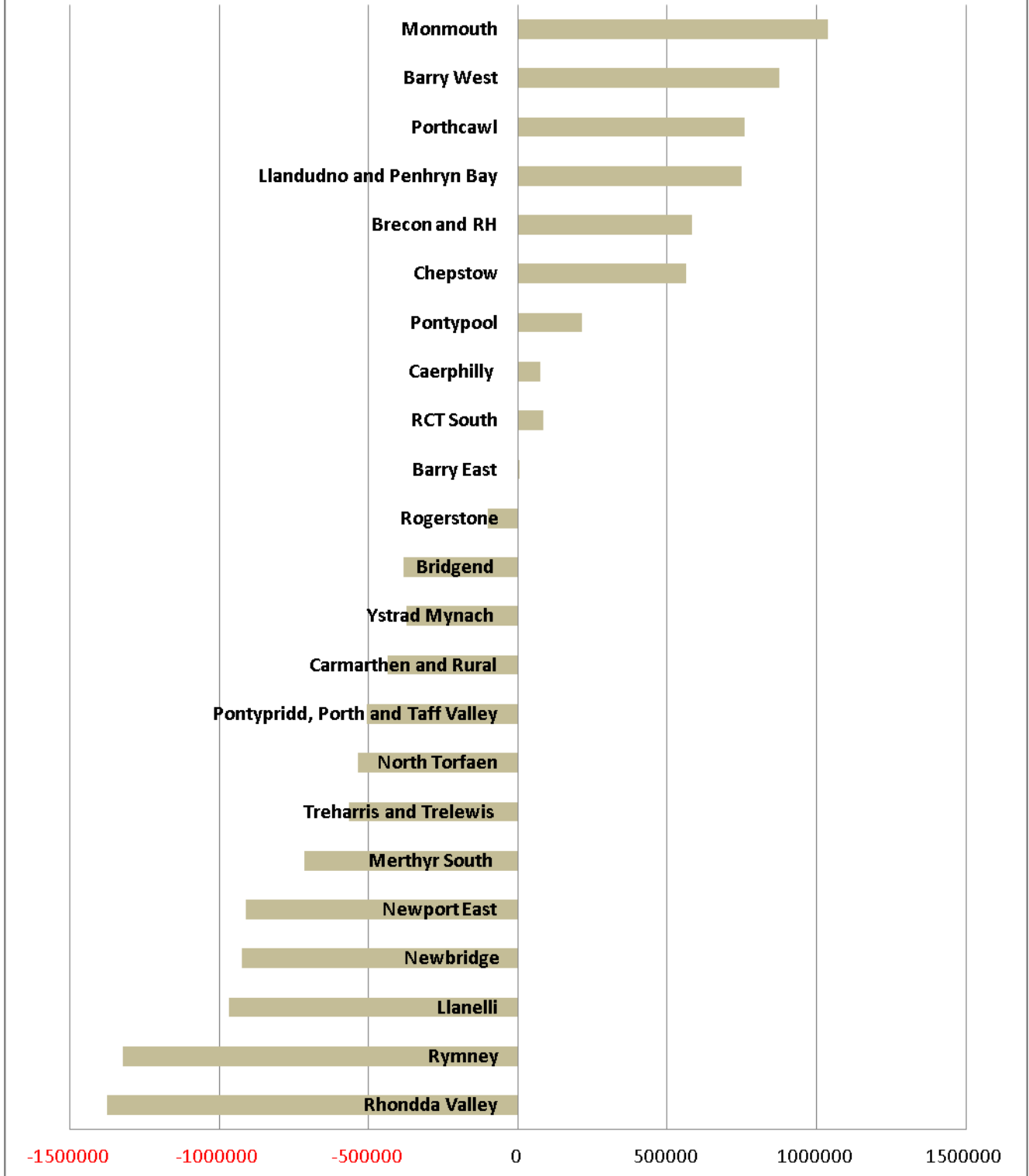


Carmarthenshire residual values with 40% plus sprinklers



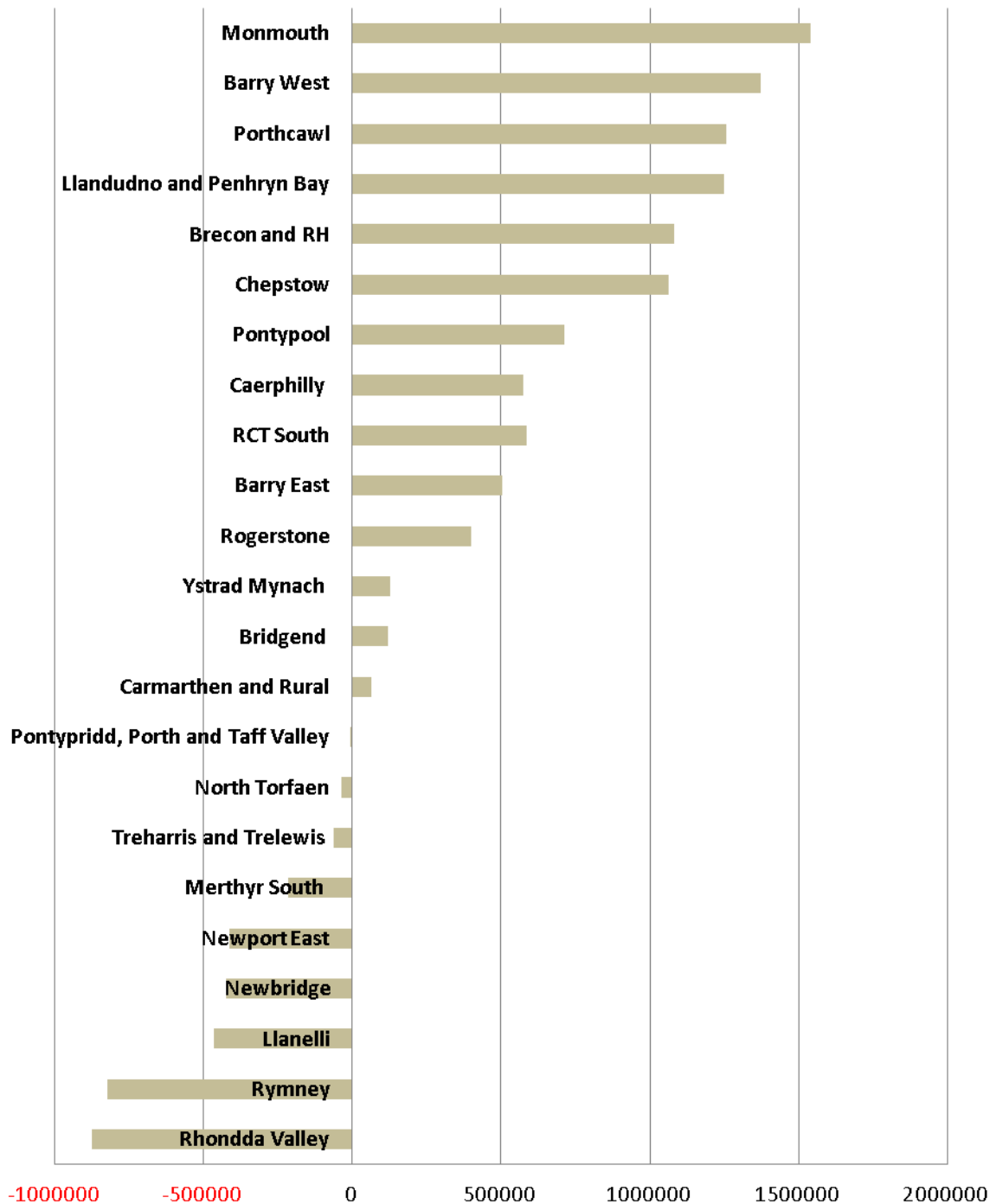
Appendix 12

Land value spread at 10% affordable housing (40% plus sprinklers)



Appendix 13

Land value spread at 10% affordable housing (40% plus sprinklers) - WG Sensitivity Analysis



Appendix 16

Evidence to support the estimated cost of remediating sites

and addressing abnormal constraints

Report from Integrale Geotechnique

Provided separately as a PDF

PV is a proxy for LZC so the question is - Should floor plan be the amount determinant for LZC provision. As useable floor area is probably a determining factor of heating use and a reasonable indicator of potential occupancy levels then why not? It should be aggregate floor area rather than foundation area to reflect energy use potential rather than merely roof area which is an indicator only of potential PV installation - not referenced to potential energy use.

7. Do you agree that the limits on design flexibility 'backstop' values for fabric elements in new homes should be changed from the current reasonable provision in the technical guidance to become mandatory?

RICS Wales supports the FEES approach.

8. Do you agree with the changes to the 'backstop' values proposed? Please explain your decision.

RICS Wales does not support this.

9. Do you have any other comments on the proposed changes to Approved Document L1A or the domestic National Calculation Methodology? Please make it clear which issue each comment relates to by identifying the relevant paragraph number.

No.

10. The Impact Assessment makes a number of assumptions on fabric/services/ renewables costs, new build rates, phase-in rates, learning rates, etc for new homes. Do you think these assumptions are fair and reasonable? Please justify your views.

No comment.

11. Overall, do you think the impact assessment is a fair and reasonable assessment of the potential costs and benefits of the proposed options for new homes? Please justify your view and provide alternative evidence if necessary.

No comment



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New non-domestic buildings

12. Do you agree with the proposal for ~~2013~~–2014 for non-domestic buildings to explicitly regulate energy efficiency separately from low carbon technologies through the assessment of primary energy consumption (PEC)? Does PEC seem like a reasonable basis for standard setting?

This seems reasonable.

13. Which package of fabric and services should be selected: 7% or 10%? Please give reasons for your choice.

Either seems reasonable.

14. Do you foresee any particular issues for certain categories of building to meet the TPEC or TER?

Double calculations could make design and compliance issues more complicated.

15. Which approach should be utilized to incorporate the contribution of low carbon technologies into the setting of the Target Emission Rate (TER), for non domestic buildings?

Fixed carbon reduction.

16. The proposals explain the Government's preference for a 20% aggregate improvement in CO₂ performance standards for new non-domestic buildings from ~~October 2013~~–June 2014. Which option do you prefer and why?

RICS Wales feels 10% should be chosen due to present economic circumstances, with the option to review as the economy changes.

17. Do the proposed ~~2013~~–2014 notional buildings as set out in the changes to the National Calculation Methodology seem like a reasonable basis for standards setting? Please provide comments on the method used to develop the notional buildings and particular elements of one or more of the notional buildings, if relevant.

This seems reasonable.



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18. Do you think that a further recipe should be created for buildings under 250m² and aligned with the proposed domestic recipe? Are there particular reasons why smaller buildings find compliance with the non-domestic recipes difficult? Please justify your views.

RICS Wales agrees that the domestic type approach is sensible.

19. Although we recognise that some buildings may need to be serviced in a particular way for legitimate functional or environmental reasons, should Part L incentivise a lower carbon servicing strategy (as with the current Energy Performance Certificate methodology), by basing the notional building on mixed-mode ventilation?

RICS Wales would support this.

20. Do you have any other comments on the proposed changes to Approved Document L2A or the non-domestic National Calculation Methodology? Please make it clear which issue each comment relates to by identifying the relevant paragraph number.

No comment.

21. The Impact Assessment makes a number of assumptions on the costs of fabric/services/renewables, new build rates, etc for new non-domestic buildings. Do you think these assumptions are fair and reasonable? Please justify your views.

No comment.

22. Overall, do you think the impact assessment is a fair and reasonable assessment of the potential costs and benefits of the proposed options for new non-domestic buildings? Please justify your view and provide alternative evidence if necessary.

No comment.



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29. Is there a better, alternative, way to reward and secure sustainable buildings (above the regulatory minimum) other than using national planning policy? What opportunities are there for future changes to Building Regulations?

Assist in educating the user marketplace to reward exemplars by favouring their efforts

30. To what extent are duplication of standard and approval systems an issue? Would the removal of the PfSB policy assist in reducing duplication?

RICS Wales supports the removal of the policy..

31. What opportunities are there for higher standards to be delivered on strategic sites identified as part of the Local Development Plan?

Applying a strategic discussion to strategic developments makes sense. A blanket approach which applies strategic impositions to relatively simple projects is destructive

~~32. Do you agree with the proposal to raise performance standards for domestic replacement windows? Please explain your answer.~~

33. Do you agree with the proposal to raise performance standards for domestic extensions? Please explain your answer.

We agree. It seems reasonable that extension should improve in standards as they are raised in other areas.

34. Do you agree with the proposal to raise performance standards for non-domestic extensions? Please explain your answer.

We agree with this. It is reasonable non domestic should improve as standards are raised in other areas.

35. Do you agree that the exemption for conservatories or porches should be removed where an individual room heat or air conditioning unit is installed? How effective would this change be in



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No comment.

47. For new dwellings, Welsh Government is proposing to develop a compliance checklist. Do you think such a checklist would be used sufficiently to warrant its development?

Yes.

48. If such a checklist was developed, what should it cover?

Details of Fabric approach adopted, air tightness, appliance design intention performance, commissioning and servicing / running requirements, LZC design intentions and service / running implications

49. If the checklist was taken forward, who should be involved in its development?

Developers, Designers, Building Control and Consumer representatives

50. Would any other approach be likely to prove more effective instead (such as a PAS30 type approach).

This could be offered as an alternative approach.

51a. Would it be preferable for buildings of a domestic nature to be able to achieve compliance through applying the recipe in AD L1A, in acknowledgement of the domestic nature of such buildings, rather than demonstrating compliance with AD L2A?

No.

51b. What are the arguments for and against this approach?

Although general approach should be as for domestic, there should be different specifications to take advantage of the more 'commercial' nature of systems.



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52. Additional views and suggestions for addressing compliance and performance issues in new non domestic buildings would be welcome.

We would recommend examination of DCLG Working group report on compliance and performance as part of 2013 Part L work for comparison.

53. Is the newly formatted ADL1B easier to understand and use?

54. Are there any further amendments to the newly formatted ADL1B that you would recommend? If so, please provide details.

55. How do the consultation proposals impact on the work of Local Authorities and Approved Inspectors? Please give positive and negative impacts.

National Approved Inspectors will need a Welsh 'expert' but may also have more sympathy with frustrations of a national (UK) developer. Local Authorities may not understand any frustration in this area and may end up being avoided. Local Authority inspection regimes may need to be re-thought (although it is understood that most already are reflective of the compliance agenda)

56. We have asked a number of specific questions. If you have any related issues which we have not specifically addressed, please use this space to report them:

If you have any queries in respect of this response please do not hesitate to contact me.

Yours sincerely,

David Morgan
Policy Manager



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