

# WELSH GOVERNMENT INTEGRATED IMPACT ASSESSMENT – OVERVIEW AND CONCLUSIONS – SECTIONS 1-9

Title of proposal:	Review of Part L(2025) of the Building Regulations
Official(s) completing the Integrated Impact Assessment (name(s) and name of team):	Paul Keepins Mark Roberts
Department:	Planning Division
Head of Division/SRO (name):	Neil Hemington
Cabinet Secretary/Minister responsible:	Cabinet Secretary for Economy, Energy and Planning Rebecca Evans MS
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## SECTION 1. WHAT ACTION IS THE WELSH GOVERNMENT CONSIDERING AND WHY?

### Background to project

Building regulations set minimum standards for the design, construction and alteration of virtually every building. The requirements are scheduled within 16 separate technical parts. For each Part, detailed guidance is also available in "Approved Documents" which set a benchmark standard for compliance with the Building Regulations, and the common methods & materials used to achieve these.

Part L (conservation of fuel and power) controls how energy efficient buildings are in their day-to-day operations. For example, sets standards for the thermal values of building elements (Floor, walls, roof etc.), and regulates energy use in relation to heating, hot water and lighting efficiency etc.

Part L was last reviewed in 2019/20/21 which resulted in the 2022 building regulation amendments. These amendments made an aggregate performance improvement (in carbon emissions) to new dwellings of 37% and 28% for new non-domestic buildings. The consultation document for the review highlighted that the 2022 amendments were a stepping stone towards the next changes to energy efficiency in Building Regulations in 2025, where it is expected that new buildings will a low carbon heating system to meet the proposed Part L 2025 standard.

This project will review Part L, building on the 2022 changes to introduce low carbon heating systems. In addition, the project will also consider introducing proposals to mitigate the risk of overheating when certain building works are undertaken in existing dwellings.

### Issue and considerations

The Welsh Government has legal obligations and carbon budget targets to meet as a result of the Environment (Wales) Act 2016. Implementation of the Wellbeing of Future Generations (Wales) Act 2015 will impact across all policy areas including efforts to tackle climate change policy. Sustainable development is one of the guiding principles underpinning building regulations policy.

Intervention is necessary as the market may not deliver cost-effective carbon savings of its own accord. This is due to:

- Externalities - In the absence of comprehensive carbon pricing, property builders and occupiers do not incur the full cost of their carbon emissions. This results in a higher level of carbon emissions than is socially optimal;
- Imperfect Information - A lack of adequate information about future energy prices and a property's energy efficiency may prevent better performing properties being properly valued by the market. In situations where there is little prospect of receiving a price premium when they come to sell the property, property builders or those undertaking extensions or refurbishments have little incentive to invest in more energy efficient materials and products;

- A lack of capital - potentially long payback periods and general risk aversion may prevent homeowners and businesses from undertaking energy efficiency improvements to existing buildings even when these would be cost-effective in the medium or long term.
- Resistance to voluntary change – For the existing building stock one often experiences a resistance to undertaking improvements in principle unless there is clear commercial benefit to doing so, be that is immediacy of energy cost savings or the palpable increase in property value and desirability.

In addition to addressing health and safety matters Building Regulations are considered to be an appropriate mechanism for attempting to overcome these market failures.

The proposed policy is to see an improvement in Part L standards. Amending Part L allows low carbon technologies to be 'locked in' at the point of build, including building-in allowances in new buildings to easily accommodate future low-carbon improvements thereby avoiding the potentially higher cost of retrofitting 'from scratch' at a later stage. However, since the majority of emissions from domestic dwellings are currently attributed to the existing stock, retrofitting existing dwellings is proposed as an additional method for contributing to the overall reduction in carbon emissions, and this can be done as part of additional low-carbon improvements tied-in to consents for extensions, changes of use or major refurbishments.

The proposed introduction of a more stringent target for carbon emissions is intended to complement the Welsh Government's Warm Homes programme, which includes the Arbed and Nest schemes, which aims to make energy efficiency improvements to low-income households and those living in deprived communities across Wales. It supports our commitments to reduce climate change, help eradicate fuel poverty and boost economic development and regeneration in Wales.

However, the evidence from the previous review suggests amendment to improve efficiency through Part L may lead to an increase in costs for developers and/or the owners of existing buildings. There is a concern an increase in costs risks a reduction in construction activity in Wales and could dissuade the owners of existing buildings from extending/improving their property in the near term. If this were to occur then it may have a negative impact on the Welsh Government's policies for regeneration and the supply of affordable homes.

The proposed policy links to a number of other policy areas of the Welsh Government. For example, evidence shows the impact that housing quality has on health and general well-being, while research shows direct links between cold housing and cardio-vascular and respiratory problems and also winter mortality amongst the elderly. Links have also been made between housing standards and mental health and children/young people's wellbeing and opportunities.

The final policy will not be developed or delivered in isolation. Under section 14(5) of the Building Act 1984 the Welsh Ministers have a duty to appoint a Building Regulations Advisory Committee (BRACW) who we must consult when proposing changes to Building Regulations and related processes. The role of BRACW is to advise the Welsh Ministers on the making and amending of building regulations, and on other related matters in Wales. Members are appointed on a voluntary independent basis to represent particular areas/fields of expertise and experience.

Details on their membership is available here [Members: Building Regulations Advisory Committee for Wales | GOV.WALES](#). In addition to this, a technical working group, formed of different interests, has been established to shape the proposals as they move forward. The proposals will also be the subject of a public consultation.

## **Conclusion**

The review of Part L supports the goals of a more prosperous and resilient Wales, helping to improve efficiency of the design and construction process and ensure the building regulations requirements are met in a methodical way aimed at preventing abortive work and wasted resources. For new buildings, we propose that low carbon heating systems become integral to the specification and therefore buildings built to the standard should require no further work to reach zero carbon emissions in the future as the electricity grid decarbonises. The review also seeks to begin to address the standard of the existing building stock in Wales with a view to introducing further consequential improvements for existing buildings that will help Wales moves forward towards zero carbon emissions across the whole of the build environment.

## SECTION 2. WHAT WILL BE THE EFFECT ON SOCIAL WELL-BEING?

### 2.1 People and Communities

Development schemes will deliver sustainable development / energy conservation through high quality design. The improvements to buildings as a result of any amendment will benefit people and communities generally. Although it follows then that any policy aimed at raising the thermal and energy efficiency of both new and existing (when extended/renovated) property will particularly improve health and well-being for those cardio-vascular and respiratory problems and also winter mortality amongst the elderly. Reducing the cost of heating new and existing building stock will have a direct positive impact on the community's disposable income and therefore increases prosperity in the long term.

### 2.2 Children's Rights

Due regard has been given to the United Nations Convention on the Rights of the Child. Any proposed changes in the technical standards for fuel and energy efficiency of the Building Regulations and Approved Document L (both volumes) are highly unlikely to result in an adverse impact on the UNCRC or its protocols and, given their content, there is limited opportunity to promote knowledge and understanding of the Convention through this particular piece of work.

A Full Impact Assessment is therefore not considered necessary.

Improvement of the building stock thermal performance will mean that more families should be removed from fuel poverty as a direct result of needing to use less fuel to heat their homes and workplaces, which in turn has a direct relationship on reducing the many effect on Children that fuel poverty can cause (see '*the impact of fuel poverty on Children*' report by Save the Children, and [New Report Outlines Devastating Impact of Fuel Poverty on Children | Fuel Bank Foundation](#) )

### 2.3 Equality

The Equality Duty requires public bodies to have due regard to the need to: eliminate unlawful discrimination, harassment, victimisation and any other conduct prohibited by the Equalities Act 2010; advance equality of opportunity between people who share a protected characteristic and those who do not share it; and foster good relations between people who share a protected characteristic and people who do not share it.

The proposals are likely to have a neutral impact in terms of race, gender, sexual orientation and religion. The policy could be considered to have a minor positive impact in terms of protecting people in vulnerable age groups and people with a disability or long-term illness. As is detailed in the 'Health and Wellbeing' section, there is evidence of a link between cold housing and excess winter deaths – the majority of which occur amongst older age groups – and between cold housing and non-fatal adverse health consequences which again affect older age groups in particular and to a lesser extent younger children and those with a long-term illness or disability and terminal conditions ( see [FP7- Marie Curie Wales.pdf](#) ) .

The proposals are likely to have a positive effect upon some gender groups where, for example the Eurofound Data from 2022 shows that single mothers or other single women are more likely to have difficulties paying their energy bills than single men due to ongoing inequalities in pay between genders (see [International Women's Day: the gender aspects of energy poverty | Topics | European Parliament](#) and [Gender pay gap in Europe: facts and figures \(infographic\) | Topics | European Parliament](#) \*\* *not UK data*, and [Workforce Partnership Council report: Fair work – Gender pay gap and senior pay ratio data \[HTML\] | GOV.WALES](#) )

The completed full impact assessment is available at Annex B.

## 2.4 Rural Proofing

The proposals are not known at present; however, the previous review outlined the aim to switch to low carbon heating for new buildings. The majority of the existing 'off-gas' domestic properties are located in rural areas where connecting homes to the gas grid is not economically viable or feasible. In these locations, builders have to choose an alternative fuel such as LPG, oil or electric heating. Currently, due to the difference in fuel there may be an increased cost of meeting the new requirements in comparison to a home in the urban area, however, as the aim of this review is to introduce low carbon heating for all new homes, therefore, increased costs are not expected in comparison. There is also the possibility the proposals will increase the costs of works, which will reduce housing numbers. This can affect the viability of affordable housing, which is at a shortage in rural areas.

The proposals will have benefits to the rural population. Fuel poverty in Rural Wales is nearly twice that of Urban areas in Wales ( [ki-011-english.pdf](#) ) and the increase in energy performance of housing will reduce fuel poverty and increase the quality of the housing environment, improving health and well-being, especially for older people.

The use of low carbon heating technologies is not reliant on proximity of access to gas distribution networks, and therefore the installation of low carbon heating technologies will be as accessible to rural properties as it will be for urban areas, meaning that the use of low carbon heating technologies will be instrumental in reducing the inequalities between urban and rural housing heating provisions.

Although it has been identified the policy may have some impact on the rural area, the identified impacts are not considered significant enough to warrant a full rural impact assessment.

## 2.5 Health

There is a wealth of evidence available on the impact that housing quality has on health and general well-being (see for example *Geddes et al 2011*).<sup>1</sup> Research shows direct links between cold housing and cardio-vascular and respiratory problems and also winter mortality amongst the elderly. Links have also been made between housing standards and mental health and children/young people's well-being and opportunities. It follows then that any policy aimed at raising the thermal and energy efficiency of both new and existing (when extended/renovated) property has the potential to improve health and well-being.

When increasing energy efficiency improvements in buildings there is a potential impact on indoor air quality and the risk of overheating in homes. In particular it has been suggested that tightening building envelopes reduces ventilation and risks the build-up of indoor pollutants. To limit any potential effects the review will consider known unintended consequences that may occur from improvements to energy efficiency measures and what practical action we could take to reduce the risk of poor indoor air quality and overheating including the same considerations in relation to Sick Building Syndrome (see [OC 311/2: Sick building syndrome](#)). The move towards updating the ventilation guidance associated with the building regulations should ensure dwellings have better compliance with controlled ventilation standards to improve the quality of air within dwellings and create a healthier environment within which to live.

A more detailed health impact assessment is not considered necessary for this project.

## 2.6 Privacy and Data Control

The processing of personal data is limited to a very small reference to those external 3<sup>rd</sup> parties who wish to evaluate the assessment HEM software providing email addresses for feedback purposes by the external hosting company (BRE). Feedback contact information (email address only) is to be provided when using the public consultation HEM evaluation software for assessing the energy efficiency HEM modelling as part of the consultation period for these proposed changes to building regulations.

The public consultation evaluation software is hosted on a 3<sup>rd</sup> party network and not on any Welsh Government network systems, therefore there is no data gathering occurring as a result of using the evaluation software. (HEM software hosted by BRE)

The proposed improvements to the building regulations standards under Approved Document L do not require any gathering of information or data on Welsh Government networks as the

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<sup>1</sup> Geddes, I., Bloomer, E., Allen, J. and Goldblatt, P. The Health Impacts of Cold Homes and Fuel Poverty - Marmot Review Team, Department of Epidemiology & Public Health, University College London, May 2011



proposals are solely an uplift in policy standards requirements, therefore a Full Impact Assessment is not considered necessary for this project.

## **SECTION 3. WHAT WILL BE THE EFFECT ON CULTURAL WELL-BEING AND THE WELSH LANGUAGE?**

### **3.1 Cultural Well-being**

The Well-being of Future Generations (Wales) Act 2015's goal for culture is '*A society that promotes and protects culture, heritage and the Welsh language and which encourages people to participate in the arts and sports and recreation*'. Culture includes museums, archives, libraries and the arts; heritage includes Welsh identity and cultural traits including the built historic environment as well as intangible heritage such as traditions; arts encompasses performance and creative sectors including music, literature, theatre and art, whilst sports and recreation include both elite and community sports as well as opportunities to participate in wider outdoor recreation.

The project is a review of Part L on the conservation of fuel and power in buildings. Any forthcoming amendments will affect the types of construction for new properties and alteration of existing buildings. There are no clear links between the proposals and actively contributing to the goal to promote and protect culture and heritage and encourage people to participate in the arts sports and recreation.

Increased building standards could technically affect the renovation of existing buildings of cultural merit, however the energy efficiency requirements of the Building regulations do not generally apply to historic or listed buildings where compliance would unacceptably alter their character or appearance, offsetting any negative impact upon culture or the built Welsh heritage environment.

A more detailed cultural well-being impact assessment is not considered necessary for this project.

### **3.2 Welsh Language**

There are no significant links between the policy proposals and the Welsh language. The proposals are not expected to have a positive impact on the promotion, support or development of the Welsh language nor are they expected to have a negative impact on Welsh speaking communities or Welsh language services.

The full impact assessment is available at annex E.

## SECTION 4. WHAT WILL BE THE EFFECT ON ECONOMIC WELL-BEING?

Supporting growth in the Welsh economy, and through this tackling poverty, is at the heart of the Welsh Government's Programme for Government.

### 4.1 Business, the general public and individuals

#### Effect on Competition

The main markets affected by changes to Part L of the Building Regulations are those for the development of new domestic and non-domestic properties and the refurbishment of existing properties. The supply chains for the production of materials used in the identified markets may also be affected and possibly other elements of the property especially in refurbishment where additional factors may be required (for example strengthening structure, repositioning fittings and the like)

The proposed higher standards mean that building contractors will have to comply with more stringent energy efficiency and building emissions targets. As a result of this, capital costs are expected to increase. Some of this increase in costs is expected to be passed on to landowners (through reduced land values) and the eventual owners (through higher property prices).

The increase in production costs is expected to affect all building contractors broadly equally and the proportion of the additional costs that cannot be passed on to landowners or the eventual purchasers is likely to represent a proportional percentage of overall construction costs. Any potential competitive impacts on building contractors are therefore likely to be minimal. However, it is possible that smaller developers with less buying power may face proportionally higher cost increases than larger businesses however this has always been the case generally relative to smaller building contractors.

The new standards may have an impact on manufacturers and suppliers to the construction industry by increasing the demand for higher specification materials and products. Suppliers of low cost or low-quality products and materials may be adversely affected by the change in regulations or consider the requirement to improve the performance of their products which will also likely have cost increase implications. However, the change in regulations is also expected to provide greater opportunities for manufacturers and suppliers of low/zero carbon generation technologies and high energy efficiency products.

#### Effect on Small and Medium Enterprises

The majority of businesses in the construction industry in Wales are classed as a small or medium sized enterprise (SME). Welsh Government statistics (Size Analysis of Businesses in Wales, 2023) show approximately 43,420 construction businesses (including self-employed individuals) operating in Wales in 2023. Of these, 97.6 per cent were micro-businesses (employing between 0 and 9 people), 1.9 per cent were small businesses (10-49 employees) and 0.3 per cent were medium size businesses (50-249 employees). The remaining 0.2 per cent of businesses were

classified as large (250+employees). Although the majority of businesses in the sector are classed as SMEs, a significant proportion of construction activity (in terms of the number of new properties built) is carried out by the larger companies. Small builders were responsible for 12% of new houses in 2017<sup>2</sup>.

Savills report (Savills SME housebuilders report demonstrates huge potential – LDS) states the proportion of homes built by SMEs has fallen from 39% since 1988:

*"Following the financial crash there was a huge decline in the number of SMEs operating in the market, with the industry becoming increasingly dependent on a small number of big housebuilders. Whilst these play an important role, they cannot construct the homes the country needs alone and their dominant position can result in reduced consumer choice and the slower build out of sites."*

Restoring SME housebuilders to their historic levels in Wales and England could deliver more than 55,000 additional new homes per year, adding £12.9bn per year in GVA, and supporting nearly 200,000 jobs in the construction industry (source: [Savills SME housebuilders report demonstrates huge potential - LDS](#) ) Providing new opportunity for SME's in Wales to up-skill and undertake new operations relating to these proposals could boost economic activity and strengthen SME delivered housebuilding in the future in Wales.

Businesses affected by the proposals will include small firms involved in the construction of new buildings and extensions, companies that manufacture building materials, manufacturers and suppliers of renewable apparatus such as PV Panels and heat pumps and installers of energy efficiency measures such as loft and cavity wall insulation. There are a number of ways in which small firms may be disproportionately affected by the proposals when compared to larger firms.

There may be some higher specification products which at this stage can only be produced by large or overseas manufacturers and/or it may be more difficult for smaller manufacturers to switch to producing higher specification construction materials than larger manufacturers, including the experience and skill-sets necessary for emerging construction methods and materials. Where there is a demand for these products by those who construct buildings, the larger companies may have an advantage in securing supply, increasing delay for smaller developers. Larger companies may also have greater employment attraction for those skilled operatives needed for new technologies.

There is a risk that the extension of the requirements to mitigate overheating risks in existing dwellings will dissuade some homeowners and businesses from carrying out small building projects and improvements. This could have a negative impact on small businesses.

On the other hand, the requirement for improvements to mitigate overheating when certain works are carried out on domestic buildings could create a significant new (or increased) market

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<sup>2</sup> [https://www.hbf.co.uk/documents/6879/HBF\\_SME\\_Report\\_2017\\_Web.pdf](https://www.hbf.co.uk/documents/6879/HBF_SME_Report_2017_Web.pdf)

for smaller firms. Much of this will either fall within or be similar to work that small firms are already carrying out.

Overall, there is a potential any improvement would adversely affect small builders as they are less able to adapt to new requirements than larger firms but that is not saying they will be permanently disadvantaged, just affected by the length of timescale they need to address the changes for their own business needs.

This effect can be lessened by a long lead in period and appropriate transitional arrangements, and it is this reason why a 5-year lead-in period was included from the outset in order to provide industry sufficient time to adapt and upskill in readiness for the introduction of the new standards.

A full Consultation stage financial Impact Assessment has been undertaken by Adroit Economics on behalf of the Welsh Government : (Ref: *Building Regulations Review: Changes to Part L (conservation of fuel and power); Part F (ventilation) and Part O (overheating); of the Building Regulations: Consultation Stage Impact Assessment – June 2025*)

[Consultations](#) | [GOV.WALES](#)

#### **4.2 Public Sector including local government and other public bodies**

The background introduction section of this assessment has already set out the aims for updating the energy efficiency requirements of the building regulations as Wales moves forward towards a carbon zero status in 2050 and better performing buildings across the whole sector will play an important part in that journey to carbon neutrality.

The impact on the public sector will likely be:

Positive:

- Assist the public sector in achieving their policy targets
- Reduce reliance on fossil fuels to the benefit of the public estate
- Reduce the impacts of fuel cost volatility and allow greater cost planning certainty
- Increase self-control of energy generation
- The introduction of new technology as a base standard will require the public sector to adapt with new skills and experience to administer the improvements.

Negative:

- Extra capital costs for upgrading
- Extra capital costs for upskilling
- Greater reliance on technology to achieve the targets, and vulnerability to cost fluctuations if the hardware is sourced outside of Wales and the UK
- Greater expenditure to achieve the goals via new technologies, and therefore the need to balance the public budget amongst other equally deserving sectors.

### **4.3 Third Sector**

The impact upon third sector organisations is anticipated to be minimal because these proposals are an uplifting of existing technical requirements already familiar to the sector and wider audience, and the improvement of standards relating to energy efficiency should form a natural progression for those sectors already involved with their utilisation.

### **4.4 Justice Impact**

The proposal is not to amend primary legislation

The proposal does not relate to any offence that is not already established through the compliance requirements of the Building Regulations and the Building Act

No, the proposal will be to improve upon the already established energy saving measures for buildings contained within the Building Regulations and therefore it is not anticipated that improving on the thermal performances of buildings will have a measurable impact on the justice system.

## SECTION 5. WHAT WILL BE THE EFFECT ON ENVIRONMENTAL WELL-BEING?

Under Section 9 of the Environment (Wales) Act 2016, the Welsh Ministers are required to prepare, publish and implement a natural resources policy and to take all reasonable steps to implement it and to encourage others to take such steps. The [Natural Resources Policy](#) was published in August 2017.

<b>Required for all proposals:</b>	<ul style="list-style-type: none"> <li>Natural Resources Policy national priorities, challenges and opportunities</li> </ul>	5.1a 5.1b
<b>Required for all proposals</b>	<ul style="list-style-type: none"> <li>Biodiversity</li> </ul>	5.2 and Annex F
<b>Required for all proposals</b>	<ul style="list-style-type: none"> <li>Climate Change</li> </ul>	5.3
Certain plans and programmes requiring SEA under the Environmental Assessment of Plans and Programmes (Wales) Regulations 2004	<ul style="list-style-type: none"> <li>Strategic Environmental Assessment</li> </ul>	5.4 and IIA Guidance
Proposals which may affect a Special Area for Conservation or a Special Protected Area (SAC/SPA):	<ul style="list-style-type: none"> <li>Habitats Regulations Assessment</li> </ul>	5.5 and IIA Guidance
Certain projects relating to town and country planning; transport; agriculture; forestry; marine, land drainage; and electricity which require EIA under the various EIA Regulations	<ul style="list-style-type: none"> <li>Environmental Impact Assessment</li> </ul>	5.6 and IIA Guidance

## 5.1 Natural Resources

- Delivering nature-based solutions;
  - The proposals are to improve upon the energy-saving standards of the current Building Regulations technical requirements and as a consequence make buildings and building systems more energy efficient in moving toward the Welsh Government goal of achieving carbon neutrality by 2050.
  - The proposed lifted energy standards do not in themselves contribute directly to nature-based solutions but do contribute by association of making all future buildings in Wales require less energy for heating and hot water and by consequence will reduce the overall impact on nature and society, and be beneficial to the reduction of carbon generation in the built environment.
- Increasing renewable energy and resource efficiency; and in doing so,
  - The proposed improvements in energy efficiency standards for buildings in Wales have a direct and significant beneficial impact on energy and resource efficiency by means of improvements in insulation standards resulting in reduced energy needed to heat homes and water, addition of renewable energy sources such as Photovoltaic cells to generate electricity on site, Solar water panels to reduce energy needed to heat water, and use of technologies such as Air Source Heat Pumps and recovery heat exchangers to deliver space heating and hot water with a view to making gas boilers redundant over time.
- Taking a place-based approach.
  - The proposed improvements in energy efficiency standards are flexible enough to allow a localised approach that can adjust the contributing elements of the building to relate to its environment and locality, meaning the proposed standards aim to deliver solutions to achieving the regulations that will suit most locations.
- ♦ Reverse the decline in biodiversity – by developing resilient ecological networks;
  - The proposed improvements in energy efficiency standards for buildings has no measurable impact upon ecological networks, but through the increase in reliance on passive energy saving technologies (increases in the insulation requirements) alongside on-site renewable energy generation (PV Panels, Solar Panels and heat pumps) will provide a meaningful reduction on the reliance of non-renewable energy sources and as a direct consequence will aid Wales in its move towards the Zero-Carbon target.
  - The proposed improvements in energy efficiency standards for buildings should also be a direct means of reducing emissions from Gas and Oil based heating systems because



the new standards will mean Gas and Oil heating sources will no longer achieve the level needed for Building Regulations approval and therefore should provide improvements in the overall quality of the ecological environment in Wales due to reduced volumes of emissions.

- ◆ Safeguard and increase carbon stores in soils and biomass;
  - The proposed improvements in energy efficiency standards for buildings will have a direct beneficial effect upon the reduction of reliance on fossil fuels because the new standards will make it extremely difficult for gas and oil-fired boilers to be justified as part of the heating specification for future homes and buildings. Reduction in demand for gas and oil should result in a reduced requirement for extraction and therefore safeguards the existing carbon storage.
- ◆ Maintain productive capacity, in particular by improving soil quality and biosecurity;
  - **Not applicable**, the proposed improvements in energy efficiency standards for buildings has no relationship with soil quality and soil biosecurity.
- ◆ Reducing the risk of flooding;
  - The proposed improvements in energy efficiency standards for buildings by their requirement that renewable energy generation and phasing-out of fossil fuel heating systems should offer a degree of positive contribution towards reduction of global warming and by association one would expect that to assist with reduction of flooding as Wales moves towards being a Carbon neutral nation.
- ◆ Supporting climate change mitigation and adaptation through ecosystem approaches;
  - The proposed improvements in energy efficiency standards for buildings does not impact directly in itself on Welsh ecosystems but will pave the way forward for climate change mitigation by means of reducing and eventually halting reliance on fossil fuels for heating in new housing, and therefore will have a positive contribution in support of climate change mitigation.
- ◆ Reducing noise pollution and pollution levels in our air, and enhance air quality;
  - The proposed improvements in energy efficiency standards for buildings will place a requirement of greater levels of thermal insulation within buildings which will include elements such as moving from double to triple glazing, and once consequence will be a likely improvement in sound insulation of dwellings. Greater levels of air-tightness will be required in these new standards to achieve Building Regulations consent which again will improve sound insulation within dwellings and buildings. Conversely, once would also expect greater levels of sound insulation from sources within the buildings,

for example loud music, meaning the external environment soundscape could also be marginally improved by these consequential benefits of increased building insulation and air-tightness.

- The proposed improvements in energy efficiency standards for buildings may also result in mechanical air ventilation systems becoming more commonplace within dwellings in the future as the air-tightness and insulation levels improve, and these mechanical ventilation systems will include filters to notably improve the quality of air within the dwelling.
- ◆ Improve the quality and ensure the quantity of our water;
  - **Not applicable**, the proposed improvements in energy efficiency standards for buildings does not deal with water quality matters. As a consequential benefit of reducing reliance on fossil fuel heating systems one would reasonably expect overall environmental improvements to follow.
- ◆ Taking action to reduce the pressures on natural resources, such as through resource efficiency and renewable energy;
  - The proposed improvements in energy efficiency standards for buildings will reduce the pressures on natural resources by means of requiring greater use of renewable technologies and better insulation efficiencies as part of the uplifted regulations.
- ◆ Supporting preventative approaches to health outcomes, with a particular focus on key public health issues of transport related air and noise pollution, tackling physical inactivity and mental health;
  - **Not directly applicable**, the proposed improvements in energy efficiency standards for buildings will likely deliver health benefits within the dwellings built to future uplifted standards because they will eliminate use of fossil fuel burning heat sources, introduce better thermal comfort for occupants , and improve the living conditions within new dwellings and non-dwelling buildings.
- ◆ Supporting action to tackle health and economic inequalities;
  - **Not applicable** to the proposed improvements in energy efficiency standards for buildings, although the introduction of renewable technologies such as PV panels generating on-site electricity, heat pumps to deliver low cost heating, removal of fossil fuel boilers therefore reducing costs associated with energy supply and standing charges, increased insulation standards so that heating the home uses less energy will collectively aim to reduce the cost of heating to the occupant.
- ◆ Supporting community cohesion; and,

- **Not applicable** to the proposed improvements in energy efficiency standards for buildings other than reducing the gap between urban and rural communities by future use of low-carbon heating technologies which will not be restricted by proximity (or lack thereof) to gas networks.
- ◆ Supporting secure and stable employment.
  - **Not applicable** to the proposed improvements in energy efficiency standards for buildings other than opening-up a new field of work resulting from an increased requirement for skilled low-carbon technology installers.

## 5.2 Biodiversity

To demonstrate compliance with Section 6 of the Environment (Wales) Act 2016, you must complete the a full impact assessment can be found at Annex F

See Annex F

## 5.3 Climate Change

### 5.3a Carbon

Officials have conducted a full carbon impact assessment. We consider there will be a significant net decrease in emissions of between 1.7418 and 1.8601 million tonnes CO<sub>2</sub>e. We have high confidence in our assessment.

If you have completed a full carbon assessment, please also answer the following questions:

#### 1. Action plan

Is this proposal consistent with the Welsh Government's latest plan to reduce emissions, [Net Zero Wales](#)? - Yes

#### 2. Just transition

The Welsh Government is committed to a just transition to net zero by 2050. Have you considered the implications of this proposal from a just transition perspective? - Yes

The proposed improvements in energy efficiency standards for buildings in Wales have been developed following extensive working group liaison with experts and consultants in the field of Energy efficiency and zero or low carbon energy sources, including discussions and meetings BRACW and with the other devolved nations who are on similar paths to the improvements in energy efficiency in buildings assisting towards a carbon neutral nation by 2050.

A cost benefit analysis is currently being prepared by economists relative to the proposed improvement requirements evaluating the cost effectiveness of the options leading to these current proposed improvements.

This current stage is the public consultation phase that provides an open invitation to everyone to participate and submit their opinions on the proposals, following which the responses will be analysed and the Welsh Government Response prepared alongside any revisions to the proposals before final presentation of the proposed improvements in energy efficiency standards are made to Ministers for adoption.

### 5.3b Climate resilience

Will this proposal be affected by any of the risks set out in the UK Climate Change Risk Assessment? - No

Will this proposal exacerbate any of the risks set out in the UK Climate Change Risk Assessment? - No

Will this proposal reduce any of the risks set out in the UK Climate Change Risk Assessment? - Yes

The proposed improvements in energy efficiency standards for buildings in Wales will improve the insulation standards in buildings, reduce greenhouse gases, will phase out reliance on fossil fuels for heating and hot water, will make it necessary to use power generation and heat recovery to achieve Building Regulations consent and collectively will reduce overall energy demand usage by dwellings and other buildings which will directly contribute to reduction of causal factors associated with climate change in moving towards a carbon neutral Wales by 2050. In relation to climate change adaptation, the proposals also extend requirements to mitigate the risk of overheating when certain works are undertaken to existing dwellings

## 5.4 Strategic Environmental Assessment (SEA)

***SEA Q1. Does your plan, programme or strategy relate to any of the following: agriculture, forestry, fisheries, energy, industry, transport, waste management, water management, tourism, town and country planning or land use?***

- The proposed improvements in energy efficiency standards for buildings in Wales **do not** relate to these Strategic Environmental Assessment categories. By consequential association, the Building Regulations may form part of developments within some of these categories in relation to buildings used by them but do not affect the core category functions in themselves, therefore the answer to SEA-Q1 is: No

***Q2. Does your plan, programme or strategy set the framework for future development consents in the areas above?***

- The proposed improvements in energy efficiency standards for buildings in Wales **does not** set a strategy for any of the categories in Q1.

***Q3. Does your plan, programme or strategy require assessment under the Habitats Directive?***

- No

## 5.5 Habitats Regulations Assessment (HRA)

- The proposed improvements in energy efficiency standards for buildings in Wales **is not applicable** in relation to the protection of habitats and species of European importance in Wales

## 5.6 Environmental Impact Assessment (EIA)

The proposed improvements in energy efficiency standards for buildings in Wales **does not** involve any of the EIA criteria below which would trigger the need for an Impact Assessment.

- 1) Construction, mining, extraction, or waste disposal works on land and at sea (including urban development, highways, ports, energy, agriculture, and fish farming)

- 2) The change of use of land
- 3) Afforestation or deforestation
- 4) Agricultural improvement on uncultivated or semi-natural areas
- 5) Restructuring of rural land holdings
- 6) Water extraction or land drainage.

## SECTION 6. SOCIO-ECONOMIC DUTY WHAT WILL BE IMPACT ON SOCIO-ECONOMIC DISADVANTAGE?

### 6.1 The Socio-economic Duty.

The socio-economic duty requires relevant public bodies, including Welsh Ministers to have due regard to the need to reduce inequality of outcome that results from socio-economic disadvantage. This duty applies only to decisions which are of a strategic nature.

- The proposed improvements in energy efficiency standards for buildings in Wales **does not** involve the Social-Economic criteria defined in WG's document "The Socio-Economic Duty: statutory guidance" [The Socio-economic Duty: guidance | GOV.WALES](#), and the proposed technical improvements do not relate to matters that would trigger a worsening of inequality in the community.
- The proposed technical standards improvements are at worst Socio-Economically neutral, and it is reasonable to conclude that housing which is better insulated and uses less energy to heat will therefore be beneficial to those at risk of experiencing fuel or energy poverty and therefore would fundamentally have a positive impact upon reducing inequalities in some instances.
- The Future Generations Act Wales sets out seven Well-being Goals as identified in Section 8.3 of this report, and the proposed uplifting of fuel and energy saving standards as proposed by these AD-L revisions all indicate a positive benefit to the overall community, or at the very least does not cause a worsening of existing conditions.
- The process of delivery for the proposed uplift in Building Regulations standards relative to fuel economies has been to seek in-depth advice from expert advisors in formulating and reviewing the proposals, undertaking an economic costs appraisal of the proposals by appointed consultants and having these cross-checked by WG Economists, holding consultation meetings with BRACW and taking onboard their responses, liaising with colleagues from other devolved nations to balance the WG proposals in relation to overall UK direction of travel regarding the pathways to Carbon Neutrality, undertaking a full public consultation to receive comments from across all sectors and to review those responses and update the final proposals where considered appropriate or necessary before finalising the WG conclusions and moving to ward publication and bringing the revisions to the AD-L requirements into force alongside a transition period to allow the construction industry time to adjust and prepare for the changes.

The uplift in fuel saving measures covered by these proposals have a positive and beneficial outcome when considered against the Socio-economic Duty guidance, and **therefore a Full**

**Impact Assessment is not considered necessary for this project**, however a record of decision-making has been completed as advised by WG Equalities & Human Rights Division Colleagues (emails 20/05/2025) in order to demonstrate due process under the Duty.



## SECTION 7. RECORD OF FULL IMPACT ASSESSMENTS REQUIRED

You have now decided which areas need a more detailed impact assessment. Please list them below.

Impact Assessment	Yes/No	If yes, you should
Children's rights	No^^	
Equality	Yes*	See Appendix B
Socio-Economic Duty	No***	See record of review
Rural Proofing	No	
Health	No	
Privacy	No	
Welsh Language	Yes**	See Appendix E
Economic / RIA	No	Refer to the 'Consultation stage impact assessment' dated June 2025 prepared by Adroit Economics on behalf of lead delivery partner AECOM
Justice	No	
Biodiversity	Yes*	See Appendix F
Climate Change	No	
Strategic Environmental Assessment	No	
Habitat Regulations Assessment	No	

Environmental Impact Assessment	No	
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*\* Mandatory for all proposals in order to meet statutory obligations.*

*\*\* Welsh Language impact assessment undertaken as a continuation of existing agreed WG policies whereby the Building Regulations technical guidance documentation and regulations are not required to be translated into Welsh.*

*\*\*\* We have recorded the decision-making process under the Duty to demonstrate how we arrived at the conclusion of the proposals having no overall negative impacts on society, and according to the Economic Impact Assessment undertaken by Adroit dated June 2025 there are overall benefits to implementing these improvements to Fuel and Energy efficiencies through the uplift in the Approved Documents L of the Building Regulations. See Section 6.1*

*^^ We have assessed the proposed policy uplift of technical standards for fuel and energy economy in buildings against the criteria stipulated in the IIA Template version 3.3, and conclude that a full Impact Assessment is not required, and have recorded that decision-making process.*

## SECTION 8. CONCLUSION

### 8.1 How have people most likely to be affected by the proposal been involved in developing it?

Not only is it our duty to engage and consult in certain circumstances, but there is clear evidence that involving the public and stakeholders is central to successful policy and delivery. In keeping with the Well-being of Future Generations (Wales) Act 2015, we are committed to involving people. Please describe how you have involved:

*Children and their representatives;*

- The proposed improvements in energy efficiency technical standards for buildings in Wales is a specialised subject that requires a high level of advanced training to implement within the construction working sector and **is not a matter** where children or their representatives would be expected to participate, therefore engagement with Children for these specialised technical revisions is not applicable.

*People with protected characteristics under the Equality Act 2010;*

- The proposed improvements in energy efficiency technical standards for buildings in Wales is a specialised subject within a very narrow field of expertise that requires a high level of advanced training to implement within the construction working sector and **is not a matter** where protected characteristic persons would be expected to participate, therefore engagement with people of protected characteristics for these specialised technical revisions is not applicable.

*Welsh speakers and Welsh language specialist groups; and,*

- **See the Welsh Language Impact Assessment in Appendix E.** During the consultation period responses are welcomed in Welsh and will be translated for the benefit of the majority of respondents who historically have always participated in the consultation process through the medium of English. The Consultation process is open to the entire public throughout the UK and beyond as it may equally affect those persons or companies as it might within Wales.

*Other people who may be affected by the proposal.*

- The Consultation is open to all to contribute, there are no restrictions to participation.

## **8.2 What are the most significant impacts, positive and negative?**

The proposed improvements in energy efficiency standards for buildings in Wales will have the following significant impacts:

### **Positive:**

- ◆ Reduce use of fossil fuels
- ◆ Phasing out of gas and oil boilers
- ◆ Increased use of on-site power generation such as photovoltaic cell panels and solar (water) panels
- ◆ Increased use of heat recovery systems
- ◆ Increased use of filtered mechanical air supplies
- ◆ Increased insulation levels and better performance standards for elements such as windows
- ◆ Better management of solar gain
- ◆ More accurate energy efficiency calculation measurement systems
- ◆ Lower fuel costs and reduction of standing charges
- ◆ Addressing the need for existing housing stock to include renewable energy measures and additional 'green' improvements
- ◆ Mitigating the risk of overheating when certain high-risk works are carried out in existing dwellings.

### **Negative:**

- ◆ Higher capital costs of some renewable measures, but offset by reduction in fossil fuel costs as identified by the economic impact assessment – overall should be beneficial to the community
- ◆ Timescales for introduction may need to be 12-18 months to allow the construction industry to 'skill-up' for the new proposals.

To summarise, the proposed improvements in energy efficiency standards for buildings in Wales is expected bring with it an improvement in living standards as a result of warmer homes, thermal comfort, lower energy costs and better indoor health conditions, with the community benefit of contributing to the net zero carbon emissions target for 2050 and making Wales a better place to live and work through its improved housing and building stock.

## **8.3 In light of the impacts identified, and in relation to the seven Well-being goals of the Future Generations Act in Wales, these proposals provide positive outcomes on balance, being:**

- **A prosperous Wales**
  - The proposals should reduce reliance on fossil fuels and reduce heating costs for families in Wales
- **A resilient Wales**

- Reducing reliance on fossil fuels will stabilise costs for residents in Wales and assist in making it more resilient to fluctuations outside of our control
- The proposals will mitigate the impact of overheating for certain works when carried out.
- **A healthier Wales**
  - Lower heating costs mean more income for spending on healthier foods, better leisure activities, better home air quality as a result of using updated statutory ventilation guidance, reduction in direct emissions from gas and oil-fired boiler exhausts.
- **A more equal Wales**
  - The technical proposals uplift will benefit all members of Society in Wales without inequality and may benefit those in greater need by reducing their heating costs and the percentage of those in fuel poverty due to recently experienced rises in gas and oil prices.
- **A Wales of more cohesive communities**
  - The technical uplift proposals do not discriminate between any members of society in Wales
- **A Wales of vibrant culture and thriving Welsh language**
  - The proposals have no measurable negative impact on the Welsh Language
- **A globally responsible Wales**
  - The reduction of use of fossil fuels in homes and buildings across Wales will have a significant positive contribution towards Wales's commitment to being Carbon neutral by 2050, and as such is a major demonstration of Wales being globally responsible.
- **The proposals will avoid, reduce or mitigate any potential negative impacts:**

The proposed improvements in energy efficiency standards for buildings in Wales will measurably reduce the carbon usage of buildings in Wales and as a result should contribute to lowering the factors associated with causing global warming, reduce the cost reliance on fossil fuels and therefore release income to families to spend elsewhere, and by means of delivering 'healthier' buildings should also deliver a healthier environment within which the residents of Wales can live and work.

#### **8.4 How will the impact of the proposal be monitored and evaluated as it progresses and when it concludes?**

The proposed improvements in energy efficiency standards for buildings in Wales are a technical compliance requirement and are judged by whether a proposed building project either passes or fails the application for Building Regulations Consent. Setting high standards therefore by their very nature will be monitored and evaluated by the success of achieving Building Regulations consent, whereas projects that fail will not be built.

**What plans are in place for post implementation review and evaluation?**

The Building Regulations in Wales and across the UK are constantly evolving and being updated to better and higher standards. The Goal will be for all new housing and buildings to be Carbon Neutral by 2050, and for the existing building stock in Wales to be making meaningful contributions towards reductions in energy usage as they too turn towards a greener future.

The Welsh Building Regulations are constantly monitored amongst the 4 devolved nations and cross governmental collaboration also assists each nation to manage and improve their own regulations. All proposals are also evaluated by BRACW.

## SECTION 9. DECLARATION

### Declaration

I am satisfied that the impact of the proposed action has been adequately assessed and recorded.

Name of Senior Responsible Officer / Deputy Director: Neil Hemington

Department: LGHCCRA-Planning (Building Regulations)

Date: 11 July 2025

## APPENDIX B

# WELSH GOVERNMENT INTEGRATED IMPACT ASSESSMENT – EQUALITY

### **Background to project and Conclusions:**

Please refer to the IIA Overview document sections 1-9 dated June 2025

The following Equality Full Impact Assessment is a mandatory requirement as identified in the IIA Template version 3.3-January 2024



## FULL IMPACT ASSESSMENT

### B. EQUALITY IMPACT ASSESSMENT

**Consideration of the potential impact of the proposal on people with protected characteristics as described in the Equality Act 2010.**

Protected characteristic or group	What are the positive or negative impacts of the proposal?	Reasons for your decision (including evidence)	How will you mitigate Impacts?
Age (think about different age groups)	The proposed improvements in energy efficiency standards for buildings in Wales should provide an overall benefit to all ages across Wales in that the proposals aim to reduce reliance on fossil fuels and improve the insulation standards of buildings therefore reducing cost and expenditure, and providing greater cost stability	The proposed improvements will make it impossible to achieve Building Regulations Consent if using gas or oil-fired boilers, the improvements increase the insulation requirements for buildings and will encourage the use of filtered mechanical ventilation in dwellings	The impacts are positive, therefore mitigation not required
Disability (consider the social model)	The proposed improvements in energy efficiency standards for buildings in Wales have no impact on the social model of disability	These are technical standards improvements to energy efficiency and have no bearing on barriers to disabilities	No impact

of disability <sup>3</sup> and the way in which your proposal could inadvertently cause, or could be used to proactively remove, the barriers that disable people with different types of impairments)			
Gender Reassignment (the act of transitioning and Transgender people)	The proposed improvements in energy efficiency standards for buildings in Wales have no impact on Gender reassignment	These are technical standards improvements to energy efficiency and have no bearing on Gender reassignment	No impact
Pregnancy and maternity	The proposed improvements in energy efficiency standards for buildings in Wales have no impact on Pregnancy and Maternity other than beneficial improvements of better	These are technical standards improvements to energy efficiency and have no direct bearing on Pregnancy and Maternity	No direct impact, but consequential benefits of warmer homes and less expenditure on fuel to the benefit of the family

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<sup>3</sup> Welsh Government uses the social model of disability. We understand that disabled people are not disabled by their impairments but by barriers that they encounter in society. Ensuring that your proposal removes barriers, rather than creating them, is the best way to improve equality for disabled people. For more information, go to the intranet and search 'social model'.

	insulated housing and lower expenditure on fuel costs		
Race (include different ethnic minorities, Gypsies and Travellers and Migrants, Asylum seekers and Refugees)	The proposed improvements in energy efficiency standards for buildings in Wales have no impact on Ethnic Minorities	These are technical standards improvements to energy efficiency and have no bearing on Ethnic Minorities	No impact
Religion, belief and non-belief	The proposed improvements in energy efficiency standards for buildings in Wales have no impact on Religion	These are technical standards improvements to energy efficiency and have no bearing on Religion	No impact
Sex / Gender	The proposed improvements in energy efficiency standards for buildings in Wales have no impact on Sex or Gender	These are technical standards improvements to energy efficiency and have no bearing on Sex or Gender	No impact
Sexual orientation (Lesbian, Gay and Bisexual)	The proposed improvements in energy efficiency standards for buildings in Wales have no impact on Sexual orientation	These are technical standards improvements to energy efficiency and have no bearing on Sexual orientation	No impact
Marriage and civil partnership	The proposed improvements in energy efficiency standards for buildings in Wales have	These are technical standards improvements to energy efficiency and have no bearing on	No impact

	no impact on marriage and civil partnership	marriage and civil partnership	
Children and young people up to the age of 18	It is envisaged that families generally will benefit from warmer and healthier homes, and therefore Children and young people will also benefit	The proposed improvements will make it impossible to achieve Building Regulations Consent if using gas or oil-fired boilers, the improvements increase the insulation requirements for buildings and will encourage the use of filtered mechanical ventilation in dwellings	The impacts are positive, therefore mitigation not required
Low-income households	It is envisaged that families generally will benefit from warmer and healthier homes, and by replacing reliance on boilers using gas or oil with PV and Solar panels, Air Source heat pumps and other heat recovery methods alongside increased insulation levels, there should be heating fuel cost savings that will benefit low-income households or those experiencing fuel poverty.	The proposed improvements will make it impossible to achieve Building Regulations Consent if using gas or oil-fired boilers, the improvements increase the insulation requirements for buildings and will encourage the use of filtered mechanical ventilation in dwellings	The impacts are positive, therefore mitigation not required

## Human Rights and UN Conventions

The proposed improvements in energy efficiency standards for buildings in Wales **have no impact** on human rights, these are technical standards improvements and not applicable to the consideration of Human Rights as set by UN Conventions.

Human Rights	What are the positive or negative impacts of the proposal?	Reasons for your decision (including evidence)	How will you mitigate negative Impacts?
N/A	N/A	N/A	N/A

## EU/EEA and Swiss Citizens' Rights

Part 2 of the EU-UK Withdrawal Agreement, along with the EEA EFTA Separation Agreement and Swiss Citizens Rights Agreement ("Citizens Rights Agreements") give EU, EEA<sup>4</sup> and Swiss citizens who were lawfully resident in the UK by 31 December 2020 certainty that their citizens' rights will be protected.

The Citizens Rights Agreements are implemented in domestic law by the European Union (Withdrawal Agreement) Act 2020 (EUWAA)<sup>5</sup>

Eligible individuals falling within scope of the Citizens Rights Agreements will have broadly the same continued entitlements to work, study and access public services and benefits, in as far as these entitlements have derived from UK membership of the EU as well as its participation in the EEA Agreement and the EU-Swiss Free Movement of Persons Agreement.

Subject to certain limited exceptions<sup>6</sup>, individuals will need to have applied for a new residence status (either pre-settled or settled status) through the EU Settlement Scheme. The deadline for making such an application expired on 30 June 2021.

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<sup>4</sup> The EEA includes the EU countries as well as Iceland, Liechtenstein and Norway.

<sup>5</sup> Sections 5 and 6 of EUWAA.

<sup>6</sup> E.g. where an individual has Irish citizenship (including dual British and Irish citizenship) or where they had indefinite leave to enter or remain in the UK)

The proposed improvements in energy efficiency standards for buildings in Wales **have no impact** on human rights, these are technical standards improvements and not applicable to the consideration of EU/EEA and Swiss Citizens' Rights.

**Residency** – *the right to reside and other rights related to residence: rights of exit and entry, applications for residency, restrictions of rights of entry and residence;*

The proposed improvements in energy efficiency standards for buildings in Wales **have no impact** on residency rights.

**Mutual recognition of professional qualifications** –*the continued recognition of professional qualifications obtained by EU/EEA/Swiss citizens in their countries (and already recognised in the UK);*

The proposed improvements in energy efficiency standards for buildings in Wales **have no impact** on mutual recognition of professional qualifications.

**Access to social security systems** – *these include benefits, access to education, housing and access to healthcare*

The proposed improvements in energy efficiency standards for buildings in Wales **have no impact** on access to healthcare and social security systems.

**Equal treatment** – *this covers non-discrimination, equal treatment and rights of workers;*

The proposed improvements in energy efficiency standards for buildings in Wales **have no impact** in relation to equal treatment of workers or their rights.

**Workers rights** - *Workers and self-employed persons who are covered under the Citizens Rights Agreements are guaranteed broadly the same rights as they enjoyed when the UK was a Member State. They have a right to not be discriminated against due to nationality, and the right to equal treatment with UK nationals.*

The proposed improvements in energy efficiency standards for buildings in Wales **have no impact** on workers' rights.

(Frontier workers [those citizens who reside in one state and regularly work in another] can continue working in the UK if they did so by the 31 December 2020).

*To be read in conjunction with Appendix Review – Socio-Economic Duty requirements and Sections 1-9 of this IIA.*

## APPENDIX E

# WELSH GOVERNMENT INTEGRATED IMPACT ASSESSMENT – **WELSH LANGUAGE**

## FULL IMPACT ASSESSMENTS

### A. WELSH LANGUAGE IMPACT ASSESSMENT

#### **Background to project and Conclusions:**

Please refer to the IIA Overview document sections 1-9 dated June 2025

The following Welsh Language Full Impact Assessment has been prepared following confirmation by the Welsh Government that Building Regulations technical documents and guidance do not need to be translated into Welsh.

#### **Welsh Language**

There are no significant links between the policy proposals and the Welsh language. The proposals are not expected to have any impact on the promotion, support or development of the Welsh language nor are they expected to have any impact on Welsh speaking communities or Welsh language services in relation to the Welsh Language.

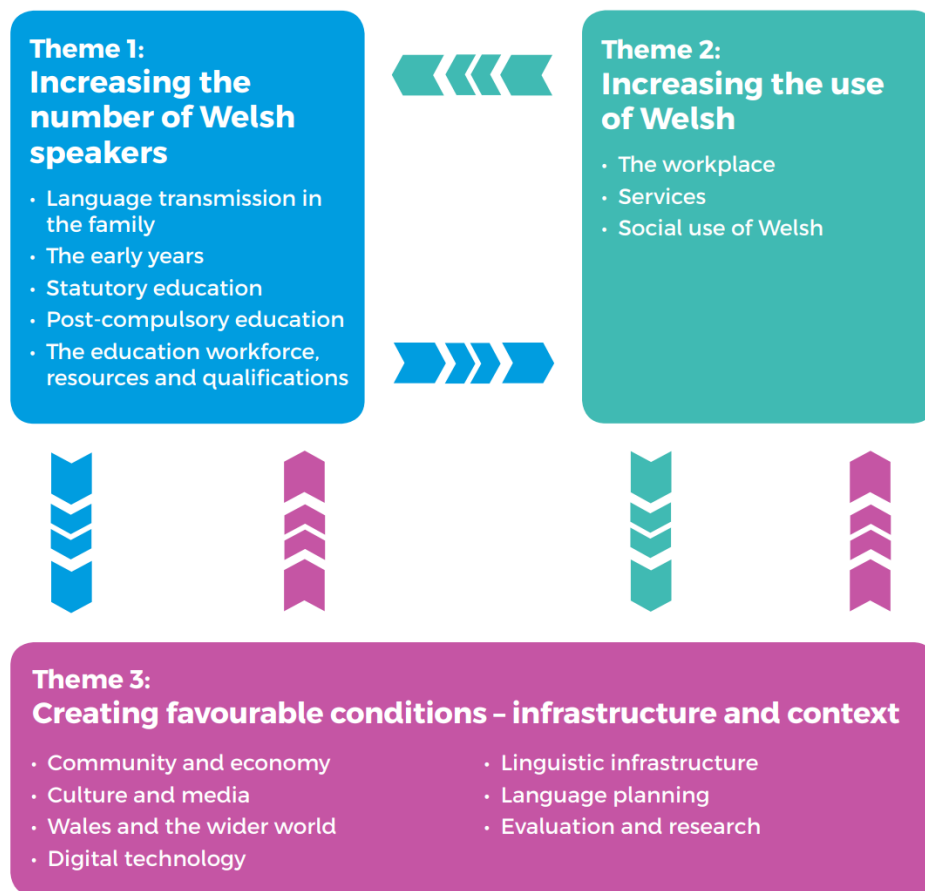
*Cymraeg 2050* is our national strategy for increasing the number of Welsh speakers to a million by 2050.

The Welsh Government is fully committed to the new strategy, with the target of a million speakers included in its Programme for Government. A thriving Welsh language is also included in one of the 7 well-being goals in the Well-being of Future Generations (Wales) Act 2015.

We also have a statutory obligation to fully consider the effects of our work on the Welsh Language. This means that any Welsh Government policy should consider how our policies affect the language and those who speak it.



The [Cymraeg 2050 strategy](#) has three interrelated themes:



The headings under each theme outline the scope of activities that can affect the language.

None of the above headlines are impacted by the proposed uplift in technical standards for the improvement of fuel and thermal efficiency in buildings.

Confirmation of the technical documentation being English-only has been received as follows:

- Following meetings in 2017 WG Safonau-Standards confirmed by email (20<sup>th</sup> March 2017) that Building Regulations technical advisory documents do not need to be translated into Welsh.
- During the procurement process for HEM energy efficiency calculation software for 6-month evaluation and consultation purposes, WG Safonau-Standards confirmed by email (2<sup>nd</sup> December 21024) that translation into Welsh is not required.

- As part of preparing this IIA, WG Safonau-Standards confirmed again that the technical and guidance consultation documents (Approved Documents) do not need to be translated into Welsh.

In relation to Welsh Government policies [Cymraeg 2050 A million Welsh speakers](#) and the related Work Programme for 2021-2026? [Cymraeg 2050 work programme 2021-2026](#), All Building Regulations documents in Wales are in the English language – see explanation in point 3 below

**Reasoning as agreed with Safonau/Standards:**

- ◆ Due to the highly technical nature these energy efficiency standards are largely not of interest to the general public and only to a specialist and extremely narrow audience. They are information contained the Building Regulations Approved Documents which do not get translated (a standing agreement within the Welsh Government) and therefore we would consider that the anticipated audiences would not require nor expect this to be available in Welsh.
- ◆ The existing energy efficiency calculation SAP and SBEM software are English only, as will be the HEM currently being developed to replace SAP. The software is developed by English companies and there is no Welsh (not Scottish / Irish) version.
- ◆ The Building Regulations in Wales has never been published in Welsh because its highly technical content is targeted at a very narrow and specialised sector of a Construction Industry that operates predominantly in English.
- ◆ The current assessment leads us to conclude that there is no requirement and no demand to publish bilingually and this has been confirmed by the Welsh Government Standards department when assessing against Standards 47 Criteria in their response email dated 23<sup>rd</sup> April 2025.
- ◆ The proposed uplifting of the Building Regulations technical requirements in relation to energy efficiency has no measurable effect upon the sustainability of the Welsh Language.
- ◆ The proposed uplifting of the Building Regulations technical requirements in relation to energy efficiency has no measurable effect upon Welsh medium education, and those working with the technical regulations do so within a narrow environment that uses English as the language of communication, especially where associated input requirements such as SAP, HEM and SBEM are only available in English. Translation of such highly technical documents and software would be cost and time prohibitive and likely not used

due to the extremely small numbers of skilled operatives that would implement the whole range of the Building Regulations solely through the medium of the Welsh Language.

- ♦ The proposed uplifting of the Building Regulations technical requirements will have no measurable effect on services available in Welsh. The Building Regulations and associated documents and legislation have always operated in the medium of English.
- ♦ It was confirmed by OFMCO on the 20<sup>th</sup> March 2017 that the Building Regulations and associated British Standards, Codes of Practice, guidance documents and the like to be in the medium of English where said documentation (British Standards, Codes of Practice) are solely produced by English organisations in England, and it would be impractical and cost prohibitive for the same organisations to be set up in Wales for a demand that has not been present to date.

With there being no measurable impact resulting from the proposed uplift of technical standards there is no requirement for monitoring.

## APPENDIX F

# WELSH GOVERNMENT INTEGRATED IMPACT ASSESSMENT – BIODIVERSITY (FULL)

### **Background to project and Conclusions:**

Please refer to the IIA Overview document sections 1-9 dated June 2025

The following Biodiversity Full Impact Assessment is a mandatory requirement as identified in the IIA Template version 3.3-January 2024

## FULL IMPACT ASSESSMENTS

### B. BIODIVERSITY IMPACT ASSESSMENT

The Nature Recovery Action Plan for Wales contains six objectives to reverse the decline of biodiversity which should be used to assess the impacts on biodiversity. They can also help develop and guide actions to comply with the S6 duty. They have been simplified as a set of questions to guide you through the impact assessment.

The following questions and responses have been considered irrespective of the proposal not having a land management element.

**Questions 1 - 9 must be considered for ALL policies.** Our responses are as follows where pertinent to the Building Regulations uplift of Fuel and Energy saving standards for buildings:

#### Embedding biodiversity

##### **1. How will your proposal integrate biodiversity into decision making?**

The proposed uplifting of the Building Regulations technical requirements in relation to energy efficiency for dwellings and buildings in Wales has no direct impact on biodiversity.

- ◆ *Have you considered the impacts and positive opportunities for action for biodiversity at the early stages of thinking or project design?*
  - Yes, the reduction in use of fossil fuels for heating buildings in Wales as intended by the proposals should aid in the direction of reduction of global warming and habitat loss. The policy uplift proposals will not directly affect biodiversity species nor habitats as it is a technical improvement in insulation and building thermal performance standards for buildings in Wales.
- ◆ *What impacts will procurement have on biodiversity, including global biodiversity?*
  - The various proposals will benefit biodiversity by improving upon the energy-saving standards of the current Building Regulations technical requirements and as a consequence make buildings and building systems more energy efficient.
- ◆ *Are products sourced sustainably?*
  - The proposed uplifting of the Building Regulations technical requirements in relation to energy efficiency for dwellings and buildings in Wales are “technically agnostic” and do not in themselves specify any particular materials

or products and are written to solely concentrate on performance standards needed to comply with the requirements of the Building Regulations. Therefore the proposed uplift in policy requirements does not deal with sourcing of materials, that is a matter left for the individual designers seeking Building Regulations approval to specify.

- ◆ *Does your project include the use of materials or practices harmful to biodiversity?*
  - No, the technical standards uplift does not specify materials nor building practices.
- ◆ Does it require partners and beneficiaries to consider the impacts and opportunities for positive action for biodiversity at the early stages of thinking and project design?
  - Is the consideration of biodiversity a requirement of funding applications and project specifications?
  - Does your evaluation of these seek to ensure that biodiversity is maintained and enhanced?

**The various proposals will benefit biodiversity by improving upon the energy-saving standards of the current Building Regulations technical requirements and as a consequence make buildings and building systems more energy efficient.**

- ◆ The proposed uplifting of the Building Regulations technical requirements in relation to energy efficiency for dwellings and buildings in Wales **has no impact on biodiversity**

**2. Has your proposal ensured biodiversity is accounted for in business decisions?**

The proposed uplifting of the Building Regulations technical requirements in relation to energy efficiency for dwellings and buildings in Wales **has no impact on biodiversity.**

**3. How does your proposal improve understanding and raise awareness of the importance of biodiversity, encouraging others to act?**

The proposed uplifting of the Building Regulations technical requirements in relation to energy efficiency for dwellings and buildings in Wales **has no negative impact on biodiversity**

**Improving our evidence, understanding and monitoring**

**4. Have you used the best available evidence of biodiversity to inform your proposal and this assessment?**

The proposed uplifting of the Building Regulations technical requirements in relation to energy efficiency for dwellings and buildings in Wales **has no impact on biodiversity**

**5. Have you used up to date knowledge of the key impacts on biodiversity to make evidence-based decisions?**

The proposed uplifting of the Building Regulations technical requirements in relation to energy efficiency for dwellings and buildings in Wales **has no impact on biodiversity**

**6. Can your proposal contribute to our body of knowledge for biodiversity?**

The proposed uplifting of the Building Regulations technical requirements in relation to energy efficiency for dwellings and buildings in Wales **has no impact on biodiversity**

**Governance and support for delivery of biodiversity action**

**7. Can your proposal support biodiversity action in any way?**

The proposed uplifting of the Building Regulations technical requirements in relation to energy efficiency for dwellings and buildings in Wales **has no negative impact on biodiversity**

The proposals will benefit biodiversity by improving upon the energy-saving standards of the current Building Regulations technical requirements and as a consequence make buildings and building systems more energy efficient.

**8. Can your proposal help to build capacity for biodiversity action?**

The proposed uplifting of the Building Regulations technical requirements in relation to energy efficiency for dwellings and buildings in Wales **has no negative impact on biodiversity**

**9. Have you recorded decisions and actions to maintain and enhance biodiversity?**

The proposed uplifting of the Building Regulations technical requirements in relation to energy efficiency for dwellings and buildings in Wales **has no negative impact on biodiversity**. The proposals will benefit biodiversity by improving upon the energy-saving standards of the current Building Regulations technical requirements and as a consequence make buildings and building systems more energy efficient.

**If your proposal concerns construction or management of land and/or sea, please also consider Questions 10 – 16: Not applicable.**

**Safeguarding species and habitats of principal importance**

The proposed uplifting of the Building Regulations technical requirements in relation to energy efficiency for dwellings and buildings in Wales **has no impact on biodiversity**

**10. Is all legislation complied with to ensure protection of marine and terrestrial species and habitats?**

**Not Applicable**

**11. Does the proposal seek first to maintain and enhance biodiversity?**

The proposed uplifting of the Building Regulations technical requirements in relation to energy efficiency for dwellings and buildings in Wales **has no negative impact on biodiversity**. The proposals will benefit biodiversity by improving upon the energy-saving standards of the current Building Regulations technical requirements and as a consequence make buildings and building systems more energy efficient.

**Increasing the resilience of our natural environment**

**12. Does your proposal contribute to building the resilience of our ecosystems?**

The proposed uplifting of the Building Regulations technical requirements in relation to energy efficiency for dwellings and buildings in Wales **has no negative impact on biodiversity**

**13. Does your proposal contribute to the creation of new habitat?**

The proposed uplifting of the Building Regulations technical requirements in relation to energy efficiency for dwellings and buildings in Wales **has no impact on biodiversity**

**Tackling key pressures on species and habitats**

The proposed uplifting of the Building Regulations technical requirements in relation to energy efficiency for dwellings and buildings in Wales **has no impact on biodiversity**

**14. Will the proposal have any negative impacts on habitats or species through**

The proposed uplifting of the Building Regulations technical requirements in relation to energy efficiency for dwellings and buildings in Wales **has no negative impact on biodiversity**

**15. Has all legislation regarding the pressures on species and habitats been complied with?**

**This would include:**

The proposed uplifting of the Building Regulations technical requirements in relation to energy efficiency for dwellings and buildings in Wales **has no impact on biodiversity**

**16. How will any negative impacts be mitigated?**

The proposed uplifting of the Building Regulations technical requirements in relation to energy efficiency for dwellings and buildings in Wales **has no negative impact on biodiversity**



# WELSH GOVERNMENT INTEGRATED IMPACT ASSESSMENT – **SOCIO-ECONOMIC DUTY REVIEW**

## 6.1 The Socio-economic Duty.

The socio-economic duty requires relevant public bodies, including Welsh Ministers to have due regard to the need to reduce inequality of outcome that results from socio-economic disadvantage. This duty applies only to decisions which are of a strategic nature.

- The proposed improvements in energy efficiency standards for buildings in Wales **does not** involve the Social-Economic criteria defined in WG's document "The Socio-economic Duty: statutory guidance" [The Socio-economic Duty: guidance | GOV.WALES](#) and the proposed technical improvements do not relate to matters that would trigger a worsening of inequality in the community.
- The proposed technical standards improvements are at worst Socio-Economically neutral, and it is reasonable to conclude that housing which is better insulated and uses less energy to heat will therefore be beneficial to those at risk of experiencing fuel or energy poverty and therefore would fundamentally have a positive impact upon reducing inequalities in some instances.
- The Future Generations Act Wales sets out seven Well-being Goals as identified in Section 8.3 of this report, and the proposed uplifting of fuel and energy saving standards as proposed by these AD-L revisions all indicate a positive benefit to the overall community, or at the very least does not cause a worsening of existing conditions.
- The process of delivery for the proposed uplift in Building Regulations standards relative to fuel economies has been to seek in-depth advice from expert advisors in formulating and reviewing the proposals, undertaking an economic costs appraisal of the proposals by appointed consultants and having these cross-checked by Economists, holding consultation meetings with the Building Regulations Advisory Committee for Wales and taking onboard their responses, liaising with colleagues from other departments to balance the proposals in relation to overall Welsh Government direction of travel regarding the pathways to net zero, undertaking a full public consultation to receive comments from across all sectors and to review those responses and update the final proposals where considered appropriate or necessary before finalising the review conclusions and moving toward making revisions to the building regulations and associated statutory guidance for publication alongside a transition period to allow the construction industry time to acknowledge, adjust and prepare for the changes.

The uplift in energy efficiency measures covered by these proposals have a positive and beneficial outcome when considered against the Socio-economic Duty guidance, and **therefore a Full Impact Assessment is not considered necessary for this project**, however a record of decision-making has been completed as advised by WG Equalities & Human

Rights Division Colleagues (emails 20/05/2025) in order to demonstrate due process under the Duty.

## C. SOCIO-ECONOMIC DUTY ASSESSMENT REVIEW

**When considering the proposed improvement of the technical standards for thermal and fuel efficiency in buildings the understanding of how the proposal might contribute to inequalities of outcome experience as a result of socio-economic disadvantage have been taken into account, and overall the proposals are beneficial to the economy and society in Wales as a result, as follows:**

A consultation stage cost impact assessment has been undertaken on behalf of the Welsh Government by Adroit Economics via AECOM (*Ref: Building Regulations Review: Changes to Part L (conservation of fuel and power); Part F (ventilation) and Part O (overheating); of the Building Regulations: Consultation Stage Impact Assessment – June 2025*) and reviewed by WG Economists. The conclusions states :

The impact assessment estimates that each of the proposed changes will result in a net benefit to Wales as follows:

- *The proposed changes for new build dwellings are estimated to deliver net benefits of £204m (Option 1) or £111m (Option 2);*
- *The proposed changes for existing dwellings are estimated to deliver net benefits of £13m;*
- *The proposed changes for new build non-domestic buildings are estimated to deliver net benefits of £15m (Option 1) or £16m (Option 2);*
- *Familiarisation costs are estimated to be £2m.*

A copy of the full Consultation stage financial Impact Assessment can be found on the 2025 Part L Consultation page [Consultations | GOV.WALES](#)

Development schemes will deliver sustainable development / energy conservation through high quality design. The improvements to buildings as a result of any amendment will benefit people and communities generally. Although it follows then that any policy aimed at raising the thermal and energy efficiency of both new and existing (when extended/renovated) property will particularly improve health and well-being for those cardio-vascular and respiratory problems and also winter mortality amongst the elderly. Reducing the cost of heating new and existing building stock will have a direct positive impact on the community's disposable income and therefore increases prosperity in the long term.

The proposals will have benefits to the rural population. Fuel poverty in Rural Wales is nearly twice that of Urban areas in Wales ( [ki-011-english.pdf](#) ) and the increase in energy performance of housing will reduce fuel poverty and increase the quality of the housing environment, improving health and well-being, especially for older people.

The use of low carbon heating technologies is not reliant on proximity of access to gas distribution networks, and therefore the installation of low carbon heating technologies will be as accessible to rural properties as it will be for urban areas, meaning that the use of low carbon heating technologies will be instrumental in reducing the inequalities between urban and rural housing heating provisions.

There is a wealth of evidence available on the impact that housing quality has on health and general well-being (see for example *Geddes et al 2011*).<sup>7</sup> Research shows direct links between cold housing and cardio-vascular and respiratory problems and also winter mortality amongst the elderly. Links have also been made between housing standards and mental health and children/young people's well-being and opportunities. It follows then that any policy aimed at raising the thermal and energy efficiency of both new and existing (when extended/renovated) property has the potential to improve health and well-being.

The main markets affected by changes to Part L of the Building Regulations are those for the development of new domestic and non-domestic properties and the refurbishment of existing properties. The increase in production costs is expected to affect all building contractors broadly equally and the proportion of the additional costs that cannot be passed on to landowners or the eventual purchasers is likely to represent a proportional percentage of overall construction costs. Any potential competitive impacts on building contractors are therefore likely to be minimal.

The new standards may have an impact on manufacturers and suppliers to the construction industry by increasing the demand for higher specification materials and products. Suppliers of lower energy performance products and materials may be adversely affected by the change in regulations or consider the requirement to improve the performance of their products which will also likely have cost increase implications. However, the change in regulations is also expected to provide greater opportunities for manufacturers and suppliers of low/zero carbon generation technologies and high energy efficiency products.

Providing new opportunity for SME's in Wales to up-skill and undertake new operations relating to these proposals could boost economic activity and strengthen SME delivered housebuilding in the future in Wales. The requirement for improvements to mitigate overheating when certain works are carried out on domestic buildings could create a significant new (or increased) market

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<sup>7</sup> Geddes, I., Bloomer, E., Allen, J. and Goldblatt, P. The Health Impacts of Cold Homes and Fuel Poverty - Marmot Review Team , Department of Epidemiology & Public Health, University College London, May 2011

for smaller firms. Much of this will either fall within or be similar to work that small firms are already carrying out.

The proposals do not discriminate between groups or sectors, it is a blanket technical uplift in construction standards relative to the requirements to gain Building Regulations consent.

Increased building standards could technically affect the renovation of existing buildings of cultural merit, however the energy efficiency requirements of the Building regulations do not generally apply to historic or listed buildings where compliance would unacceptably alter their character or appearance, offsetting any negative impact upon culture or the built Welsh heritage environment.

The future trend towards a net zero Wales by 2050 is reinforced by the Welsh Government's commitment to the Welsh Government's Environment (Wales) Act 2016

The proposed uplift of technical standards for better thermal performance of buildings in Wales also includes the adoption of a new software assessment tool (HEM) to evaluate building performance in dwellings.

The introduction of the uplift in the technical standards for new dwellings will result in a transition away from fossil fuelled heating systems to homes being built with low carbon heating such as heat pumps and heat networks, and towards using renewable energy such as solar PV panels alongside improved insulation and air tightness requirements. The improved standards will also result in mitigation of overheating risks and a move towards better ventilation and air quality within the home. The same is being proposed for non-residential buildings to follow the same path towards a greener technology and phase-out the use of gas and oil and primary heating systems.

The economic assessment has concluded that less reliance on fossil fuels and avoiding standing charges for connections allied with on-site generation of power via PV panels will reduce heating and power costs and increase disposable incomes to the benefit of residents.

As the electricity network becomes "greener" due to renewable generation sources, the buildings in Wales will automatically benefit from also becoming "greener" as a direct consequence.