

Resources Committee

23 June 2010

Report of the Head of Built Environment

Code for Sustainable Homes – Scale of Charges

1.1 Purpose of Report

1.2 The purpose of this report is to seek approval to apply the appended scale of charges for undertaking assessment of Code for Sustainable Homes (CSH).

1.3 This proposal assists the Council in delivering all of its pride objectives.

2 Executive Summary

2.1 A Code for Sustainable Homes (CSH or Code) has been introduced by the Department for Communities and Local Government (CLG) to drive a step change in sustainable home building practice. At present CSH is mandatory for Housing Associations who must reach Code Level 3 if grant is to be provided. There is no mandatory requirement yet for private developers to comply with CSH.

2.2 The Council has an opportunity to advise developers both in the Private and Housing Association sectors on the Code requirements and with a CSH Certified Officer within the Housing Strategy section fee income generation can commence using the appended Scale of Charges.

3 Appendices

3.1 Appendix 1 details the proposed scale of charges

4 Proposed Action

4.1 The Committee is invited to resolve the appended scale of charges for the Code for Sustainable Homes Assessment.

5 Background

5.1 The Stern Review highlighted, there is now an overwhelming body of scientific evidence showing that climate change is a serious and urgent issue. In 2004, more than a quarter of the UK's carbon dioxide emissions – a major cause of climate change – came from the energy we use to heat, light and run our homes.

5.2 A Code for Sustainable Homes (CSH) has been introduced by the Department for Communities and Local Government (CLG) to drive a step

change in sustainable home building practice. It is a standard for key elements of design and construction which affect the sustainability of a new home. It will become the single national standard for sustainable homes. It will form the basis for future developments of the Building Regulations in relation to carbon emissions from, and energy use in homes, therefore offering greater regulatory certainty to developers.

- 5.3 At present CSH is mandatory for Housing Associations who must reach Code Level 3 if grant is to be provided. There is no mandatory requirement yet for private developers to comply with CSH. There is Policy in the Core Spatial Strategy for North Northamptonshire (CSS) which requires developments to provide units to CSH Level 3 in the period 2008-12, Level 4 in 2013 -15 and Level 6 from 2016. However without this being a statutory requirement for private developers they will not be enforced to developer to these CSH levels.
- 5.4 There was an announcement on 20th May 2010 that Government was withdrawing Home Improvements Packs (HIPS) but they have stated they will still be keeping energy certificates and the Code for Sustainable Homes. The targets to meet the Code have also been maintained but the requirement for a Code certificate has been dropped for new private homes. CLG have confirmed that Council's can provide Code Assessment Services to be certified by Stroma or BRE and that Ministers are keen to continue with the Code. A revised document following a consultation exercise in March 2010 by CLG is expected to go before Ministers soon with a revised Code in October 2010. Please refer to link at para 11.

6 Discussion

- 6.1 The Council has an opportunity to advise and assist developers both in the private and housing association sectors on the Code requirements. With a CSH Certified Officer within the Housing Strategy section a fee income generation can commence for providing the following service; a scale of charges is appended at appendix one.

6.1.1 Stage 1a - Design Stage Meeting

- Meeting with BCW qualified Code Assessor
- Overview of 9 key areas of the Code for Sustainable Homes,
- Explanation of Code process and weightings/credits
- Review of the development, site, dwellings designs and plans
- Identification and agreement of the requirements

6.1.2 Stage 1b - Design Stage

- Registration of site
- Review of site development design and advice in how to meet energy reduction target
- Site visit
- Issue of interim Code Certification
- Gathering of evidence and writing of report

6.1.3 Stage 2a – Post Construction review

- Check Code evidence from developer
- Post construction site visit
- Produce final report for STROMA

6.1.4 Stage 2b - Certification by Stroma

- Audit by Stroma
- Award of Full Code Certificate by STROMA

5.1 Following consideration of the Council's finances the Housing Strategy Service was given authorisation to explore the opportunity for a potential income of £7,000 per annum from providing this assessment service. This was ratified by Full Council in January 2010. This is an un quantified figure until marketing and advertising of the service can commence. Other providers of this service within Local Authorities or the private sector will generate over £7000 for one scheme assessment of 10 units. Some of the Council's registered with BRE or STROMA providing this assessment service are Cardiff County Council, Shrewsbury, Horsham and South Holland Council's.

5.2 The CSH Assessment Service will also be marketed as part of a wider package of sustainable measures provided by BCW. An Energy Certification Service is being considered by Private Sector Renewal and a Building Inspection Service by Building Control to promote contiguous services providing one sustainable product.

7 Legal Powers

7.1 Wellbeing powers contained within Section 2 of Local Government Act 2000 and powers to charge for discretionary services under Section 93 of Local Government Act 2003.

8 Financial and value for money implications

8.1 There are likely to be minimal extra costs incurred by the authority in carrying out this function which will be covered by the income received.

8.2 The proposed fees for this service have been based on current market charges. They will be closely monitored to ensure that costs are fully met. Members will be advised of any change in Government direction regarding the Code and assessment service.

Risk analysis and Implications

Nature of risk	Consequences if realised	Likelihood of occurrence	Control measures
Lack of development opportunities	Lack of income	Medium – consideration of current economic and market conditions	Mandatory scheme for RSL developments

Misinterpretation	Legal action	Low-medium	BCW indemnity insurance cover. The Code Assessor is required by STROMA to have public liability insurance
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Implications for Resources

The Housing Strategy service will provide support and management for this assessment role, finance and support services will be required. Funds will be required for marketing and publicity

Implications for Stronger and Safer Communities

The provision on more sustainable homes will impact on the standards of living within the borough, cleaner, safer and carbon friendly homes will promote good health and well being and produce affordable heating supply.

Implications for Equalities

This project will provide homes which are more affordable through having cheaper fuel bills making and better living conditions.

9 Author and Contact Officer

Vicki Jessop, Housing Strategy Manager

10 Consultees

James Wilson	Corporate Director
Richard Micklewright	Director of Resources
Mike Hudson	Interim Head of Finance
Steven Wood	Head of Built Environment
Carol Conway	Principal Housing Strategy Officer
Tracey Cave	Management Accountant
Andrew Miles	Housing Technical Officer
Clive Culling	Housing Renewal Manager
Agnes Piatek-Bednarek	Energy Efficiency Officer
Tim Lucy	Building Control Manager
Brian Stewart	Legal Manager

11 Background Papers

www.planningportal.gov.uk/uploads/code_for_sust_homes.pdf

<http://www.communities.gov.uk/planningandbuilding/buildingregulations/legislation/codesustainable/>

Appendix one

Design Stage Assessment (DSA)	Fee
Minimum Fee	£700
(+) Per Unit	£70

Post Construction Review (PCR) ^(tc)	Fee
Minimum Fee	£700
(+) Per Dwelling Type	£100
(tc) Travelling Charges	£0.60 (per Mile)

STROMA Quality Assurance and Certification *	Fee
Per Unit	£35
Minimum Fee	£145

To meet STROMA requirements the PCR should not be substantially altered from the design stage assessment (DSA), if this occurs another design stage assessment will be required and the above fees re-applied.

* We are unable to control the STROMA fee and you will be advised of any adjustments in our costs.

All prices quoted exclude VAT. Prices are subject to change but will not affect orders already placed. Discounts may be available for larger developments.

