
Government Consultations: Building Regulations: Determining the principles for a Scottish equivalent to the Passivhaus standard: Stage 1 consultation

1.0 HEADLINES

- 1.1 This report provides members of the Planning, Protective Services and Licensing Committee with comments on a current Scottish Government consultation “**Building Regulations: Determining the principles for a Scottish equivalent to the Passivhaus standard: Stage 1 consultation** “ and seeks approval of a formal submission
- 1.2 The Scottish building regulations set minimum standards applicable to new buildings and to new work to existing buildings. In December 2022, the then Minister for Zero Carbon Buildings, Active Travel and Tenants’ Rights confirmed that, in response to Alex Rowley MSP’s Proposed Domestic Building Environmental Standards (Scotland) Bill, the Scottish Government would make subordinate legislation by 14 December 2024 to give effect to Mr Rowley’s final proposal. The proposal was “to introduce new minimum environmental design standards for all new build housing to meet a Scottish equivalent to the Passivhaus standard, in order to improve energy efficiency and thermal performance”.
- 1.3 This report provides a response to the consultation for consideration by members, prior to submission to the Scottish Government by the 23 October 2024 deadline.

2.0 RECOMMENDATIONS

- 2.1 It is recommended that members of the Planning, Protective Services and Licensing Committee consider the report and approve the response outlined in Appendix 1

3.0 DETAIL

- 3.1 The consultation is the first of two which will consider the technical, commercial, and wider policy implications of improvements to building regulations in the context of broader action by the Scottish Government on climate change, to further our ambition of becoming a net-zero society by 2045. It does not set out the details of proposed new standards or performance targets. That will be set out in a further consultation in summer 2025. Instead, this consultation seeks views on the form and approach that a Scottish equivalent to the Passivhaus standard, implemented through building regulations, should adopt
- 3.2 The consultation seeks detailed responses on specific questions on the concept of a Scottish equivalent and issues around specification and calculation tools. In summary, Passivhaus seeks very high and assured levels of energy efficiency and a healthy and comfortable indoor environment all year round. It encourages a design-led approach to optimise built form to limit energy demand and meet the standard
- 3.3 The proposed response (see Appendix 1) does not propose to answer the questions but addresses the key issues in Argyll and Bute, namely the impact on affordability, development costs and skills shortages, which are further exacerbated in rural and island communities.
- 3.4 A Passivhaus standard will increase building and development costs, requires specifically skilled architects, developers, builders and contractors and the potential to hinder

development. This will adversely impact on communities within Argyll and Bute, particularly our rural and island communities where previous studies (Stantec report “Argyll & Bute Island Housing Market Study- May 2024) have identified:

- (a) Local house prices exceed local household incomes, particularly on the islands, and a high level of house sales are made by non-residents as market prices are unaffordable to local residents.
- (b) The percentage of local people in our island communities unable to afford average house prices ranges from 62% on Coll to 93% on Jura.
- (c) The Scottish Government identifies an affordable house as no more than 3.5 times the annual incomes of an individual household. The ratio is significant higher in Argyll and Bute, with the average house prices being between 4 and 5 times individual household incomes.
- (d) In the 7 islands in the STATEC study over 50% of all residents were unable to afford the average house prices and this is particularly acute in Jura and Colonsay where only 1 in 10 have sufficient funds to purchase a residential property on the island.
- (e) The costs of building in Argyll and Bute are the highest on mainland Scotland (only exceeded by Shetland) and building costs are 30-40% higher on the islands.
- (f) Public sector investment is required to provide new high quality and energy efficient houses, to address fuel poverty on the island.

4.0 CONCLUSION

- 4.1 Recognising the benefits of Passivhaus construction, the proposal for an absolute requirement for all new developments will adversely impact development in Argyll and Bute and our rural and island communities. This is at a time of a housing emergency, the proposals are likely to hinder development, increase development and building costs and exacerbate our skills shortages. Scottish Government should consider that if Passivhaus standards are absolute standard additional financial support is required to support the higher development costs in rural or islands communities. Without this, a relaxed standard must be developed as an alternative, particularly for rural and island communities and for retrofits.

5.0 IMPLICATIONS

- 5.1 Policy – consistent with Council policies
- 5.2 Financial – Proposals will increase development costs in Argyll and Bute
- 5.3 Legal – None
- 5.4 HR – none.
- 5.5 Fairer Scotland Duty - the Fairer Scotland Duty,
 - 5.5.1 Equalities – N/A
 - 5.5.2 Socio-economic Duty – N/A
 - 5.5.3 Islands – included in response
- 5.6 Climate Change – supports principles of climate change and energy efficiency
- 5.7 Risk – Proposals may hinder delivery of Councils emergency housing action plan
- 5.8 Customer Service – N/A
- 5.9 Rights of the Child (UNCRC) – none

Executive Director with overall responsibility for Development and Economic Growth:

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APPENDICES – Appendix 1: Draft consultation response

Appendix 1

Government Consultations: Building Regulations: Determining the principles for a Scottish equivalent to the Passivhaus standard: Stage 1 consultation

1 Name of Consultation
Building Regulations: Determining the principles for a Scottish equivalent to the Passivhaus standard: Stage 1 consultation
2 Open date
31 July 2024
3 Closing date
23 October 2024
4 What is the consultation?
<p>Scottish building regulations set minimum standards applicable to new buildings and to new work to existing buildings. In December 2022, the then Minister for Zero Carbon Buildings, Active Travel and Tenants' Rights confirmed that, in response to Alex Rowley MSP's Proposed Domestic Building Environmental Standards (Scotland) Bill, the Scottish Government would make subordinate legislation by 14 December 2024 to give effect to Mr Rowley's final proposal. The proposal was "to introduce new minimum environmental design standards for all new build housing to meet a Scottish equivalent to the Passivhaus standard, in order to improve energy efficiency and thermal performance"</p> <p>This consultation is the first of two which will consider the technical, commercial, and wider policy implications of improvements to building regulations in the context of broader action by the Scottish Government on climate change, to further our ambition of becoming a net-zero society by 2045.</p> <p>This consultation does not set out the details of proposed new standards or performance targets. That will be set out in a further consultation in summer 2025. Instead, this consultation seeks views on the form and approach that a Scottish equivalent to the Passivhaus standard, implemented through building regulations, should adopt</p>
5 Why are they consulting?
<p>This stage 1 consultation seeks views on the form and approach that a Scottish equivalent to the Passivhaus standard, implemented through building regulations, should adopt. It also seeks information on the implementation of the 2023 energy standards to inform the development of a stage 2 consultation in 2025, which will set out the details of proposed new standards or performance targets</p>
6 Officers consideration and recommendations
<p>The consultation asks detailed questions on the concept of a Scottish equivalent and specific issues around the specification and calculation tools. The concept is.</p> <p>"In summary, Passivhaus seeks very high and assured levels of energy efficiency and a healthy and comfortable indoor environment all year round. It encourages a design-led approach to optimise built form to limit energy demand and meet the standard</p> <p>Proposed response:</p> <p>The consultation asks very specific questions and rather than focusing on these, due consideration has been given to identify potential issues and risks associated with introducing a Passivhaus equivalent standard to developments within Argyll and Bute</p> <p>In developing this consultation response, reference is made to the Stantec report "Argyll & Bute Island Housing Market Study- May 24" and the following evidence:</p>

- (a) Affordability' Local house prices exceed local household incomes, particularly on the islands, and a high level of house sales are made by non-residents as market prices are unaffordable to local residents.
- (b) The percentage of local people in our island communities unable to afford average house prices ranges from 62% on Coll to 93% on Jura.
- (c) The Scottish Government identifies an affordable house as no more than 3.5 times the annual incomes of an individual household. The ratio is significantly higher in Argyll and Bute, with the average house prices being between 4 and 5 times individual household incomes.
- (d) In the 7 islands in the STATEC study over 50% of all residents were unable to afford the average house prices and this is particularly acute in Jura and Colonsay where only 1 in 10 have sufficient funds to purchase a residential property on the island.
- (e) The costs of building in Argyll and Bute are the highest on mainland Scotland (only exceeded by Shetland) and building costs are 30-40% higher on the islands.
- (f) Public sector investment is required to provide new high quality and energy efficient houses, to address fuel poverty on the island.

General:

1. In general terms, the principles for a Scottish equivalent to the Passivhaus standard are sensible from sustainability and climate change perspectives, However, it's important to recognise the potential negative impact to rural areas, in terms of development costs, particular where building costs are presently significantly higher in Argyll and Bute, and more so in island communities, and unaffordable to many local residents.
2. Energy efficient properties are critical, but the consultation should consider whether the Passivhaus standard is appropriate standards to apply to all new buildings and propose other alternatives, rather than it being an absolute requirement.
3. Passivehaus approach does offer opportunities in areas of electricity grid restrictions. There are many places where it is currently very challenging to get a grid connection due to lack of capacity. In these circumstances, Passivhaus may offer an opportunity to reduce impact on the grid, subject to discussion with network suppliers. In circumstances where this is required, consideration should be given for grant funding to achieve this.

Costs:

4. The proposal to introduce a Passivhaus standards to all new developments will result in a significant cost burden on all housing within the Argyll and Bute area and in particular, remote and rural communities as evidenced in the STANTEC report . The cost implications of achieving this as a minimum standard must be carefully considered, particularly in a time of housing emergency In Argyll and Bute.
5. The proposals are likely to adversely impact development and further assessment is required on the impact in Argyll and Bute, particularly where building costs in Argyll and Bute are the highest on mainland Scotland and are only higher in Shetland.
6. The infiltration rate of 0.6 air changes per hour far exceeds the current air changes that are currently achieved, will require a greater level of site supervision, contractor experience, and attention to detail, which comes at additional cost for the client. The entire design through to the completion phase appears to be far more onerous than current construction practice, which again will have significant cost implications on the client for all members of the design team and construction professionals involved in the project.

Skills and expertise

7. The Passivhaus is not a building that can be designed by an agent with no credentials in this type of building and thus requires a professional with experience of **Passive House Planning Package (PHPP)** and over seen by a Passivhaus certifier.
8. We raise concerns over the level of competence that would be required by the professionals required to undertake the design, construct and carry out site supervision in complying with a Passivhaus design. Such skills shortage will hinder developments and increase costs. These will be amplified in remote rural area
9. Ventilation and heat exchange systems need maintenance and available contractors to do this in remote rural areas at reasonable cost and in reasonable time. As an example. There are already issues accessing gas safety and electrical safety engineers in rural authorities.

Changing behaviours

10. Passivhaus Buildings work efficiently when occupiers are bought in to the concept and behave and utilise the building in an appropriate way. Education of occupiers is critical as people may override the design by installing additional heating or not use the mechanical ventilation system.

Other

11. Further consideration is required on how this proposed standard impacts on the drive to District Heating and LHEES. The benefits of a cost effective heat network for new developments will not be required to the same extent if the Passivhaus standards are applied universally to all developments. Will this not be a long term disincentive to pursuing heat networks in contrast to other SG policy and now Local Heat and Energy Efficiency Strategies (LHEES).
12. Whatever standards are chosen they should not be different dependent on tenure, ie: social housing should be at the same standard as private, not higher or lower.
13. The Stage 2 consultation should consider if this standard is more appropriate as an option rather than an absolute standard, and identify suitable alternatives which would still meet the drive for energy efficiency in new developments.

7 Recommendations

The consultation recognises that the costs of Passivhaus are higher in rural areas and states “Passivhaus is a significant upgrade on the current carbon emitting criteria of our existing buildings, but this comes at a significant cost to the client and in particular those that live in more rural and remote areas where travelling and a lack of suitably qualified and experienced professionals, will incur additional costs as opposed to the central belt”.

Argyll and Bute raise concerns over these proposals as , without significant public sector development and support grants, the proposals exacerbate the existing issues of lack of affordable housing to residents, high building costs and skill shortages, particularly within our rural and island communities

Scottish Government should consider that if Passivhaus standards are absolute standard additional financial support is required to support the higher development costs in rural or islands communities. Without this, a relaxed standard must be developed as an alternative, particularly for rural and island communities and for retrofits.