

Building related Legislation – heading for the Brexit?

CIBSE Conference and Exhibition

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“Brexit means Brexit”

**So what might Brexit mean
for current buildings related
legislation?**

Post conference presentation note:

These slides are based on the presentation given by Hywel Davies at the CIBSE Building Performance Conference and Exhibition, 17th November 2016. Links to various sources have been added to the slides since the presentation, to assist those viewing them following the conference.

Energy & Carbon Regulations for Buildings

1. CRC Energy Efficiency Scheme (CRC) (until 2019)
2. Climate Change Agreements (CCAs) & Climate Change Levy (CCL)
3. Energy Performance Certificates (EPCs), Display Energy Certificates (DECs) & Air conditioning inspections
4. Building Regulations (Part L, ADL2A, ADL2B)
5. Minimum Energy Efficiency Standards (for rented buildings)
6. F-Gas Regulation & related requirements
7. Smart Meters
8. Metering and Billing Regulations
9. Enhanced Capital Allowances (ECAs)
10. EU minimum energy performance standards and labelling (ErP)
11. Mandatory Greenhouse Gas (GHG) reporting
12. Energy Savings Opportunity Scheme (ESOS)

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Key to slides 3-5

- Red text is UK initiated legislation
- Blue text is EU initiated legislation
- Purple text is a hybrid with elements of EU and elements of UK legislation

So what do we know now about...

THE CURRENT GOVERNMENT POSITION?

Some argue “not a great deal....”

but we do have some useful pointers to
work from....

**So what might Brexit mean
for current legislation?**



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BRIEFING PAPER

Number 07213, 26 August 2016

Brexit: impact across policy areas

Edited by Vaughne Mill

Inside:

1. Background
2. Trade relations
3. Other economic impacts
4. Employment
5. Agriculture
6. Fisheries policy
7. Environment
8. Energy and Climate Change
9. Transport
10. Immigration
11. Justice and Home Affairs
12. Human rights





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11. Justice and Home Affairs
12. Human rights
13. Social security
14. Health policy and medicines regulation
15. Higher education
16. Culture, communication, copyright, broadcasting, sport
17. Consumer policy
18. Foreign policy
19. International development
20. Defence and the armed forces
21. The devolved legislatures

- Covers 20 policy areas
- Most relevant to us are Energy and Climate Change and Environment



Source of slides 9-10

Brexit: impact across policy areas

This Commons Library briefing paper looks at the current situation in a range of policy areas and considers what impact Brexit might have. This will depend, among other things, on the Brexit negotiations, whether the UK stays in the European Economic Area and how the Government fills any policy gaps left by withdrawal.

<http://researchbriefings.parliament.uk/ResearchBriefing/Summary/CBP-7213#fullreport>

Brexit and the Climate Change Act

The UK's [Carbon Plan](#) identified climate change impacts and energy security - neither of which are necessarily EU-driven - as the drivers for focusing on emissions reduction.

(DECC, [The Carbon Plan: Delivering our Low Carbon Future](#), December 2011)

The Paris Agreement

One currently unresolved question is how Brexit would affect the UK's ratification of the Paris Agreement, which the UK signed in April 2016. **The UK's vote to leave the EU has the potential to affect progress towards ratification.**

Climate targets

An EU exit would not remove the legally binding UK climate targets under the [Climate Change Act 2008](#), but it could increase the focus on all aspects of UK-based generation, especially if exit resulted in poorer security of supply through decreased interconnectivity to Europe, reduced harmonisation of EU energy markets or less investment into the UK by multinational companies.

Most recently, some commentators have asked whether - with the demise of DECC and climate change not appearing in the title of the new Department for Business, Energy and Industrial Strategy (BEIS) - climate change might receive less government attention. But Baroness Neville Rolfe, minister of state at BEIS, said that climate change will be at the heart of BEIS and that [the UK intends to ratify the Paris Agreement](#) as soon as possible:

At the heart of our commitment is the Climate Change Act. While the vote to leave the European Union is hugely significant, the Government will continue to play their part in tackling the energy and environmental challenges our country faces.

In its [most recent report](#), the Committee on Climate Change (CCC) has commented on both the Paris Agreement and the UK's vote in favour of leaving the EU. It notes that the latter does not alter the need to reduce emissions or the scale of that reduction, but might have an impact on how the UK's carbon budgets are met.³¹⁰

Government response to the 8th Progress Report of the Climate Change Committee (Report July 2016, Response October 2016)

- CCC made 6 recommendations in relation to buildings
- Government response commits to **Smart meters** and **Minimum Energy Efficiency Standards** for homes, with the Review by Dr Peter Bonfield on how to “boost consumer and industry confidence and improve on the current framework for consumer standards for energy efficiency and renewable energy installations”;
- Further uplift of energy efficiency standards for new buildings
- Continued support for deployment of low carbon heat technologies

Government response to the 8th Progress Report of the Climate Change Committee (continued) – the non domestic sector

- Commitment to “keeping bills down for businesses”
- Roll out of **non domestic smart meters** to “put small businesses in control of their energy use”;
- **Minimum Energy Efficiency Standards** for private rented non-domestic property
- Re-affirmation of the 2015 Spending Review commitment to spend £295m on improving the energy efficiency of schools, hospitals and other public sector buildings
- Source:
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/559954/57204_Unnumbered_Gov_Response_Web_Accessible.pdf

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Building Regulations

Part L

'Nearly zero energy' buildings are already in the Building Regulations

Nearly zero-energy requirements for new buildings

- **25B.** Where a building is erected, it must be a nearly zero-energy building.

The Building Regulations &c. (Amendment) Regulations 2012, SI 2012 No.3119

<http://www.legislation.gov.uk/ukxi/2012/3119/contents/made>

Zero Carbon Buildings

**Energy Efficiency Directive:
Energy Savings Opportunity Scheme**

Metering & Billing Regulations

Implemented under the Energy Efficiency Directive

- Requires metering in buildings with multiple tenants or concessions
- Is an EU requirement under EED
- Significant wasted costs if abandoned as a result of Brexit
- Whilst it has been a very poorly implemented piece of legislation, it is too late to be worth rowing back now – more burdensome than living with the requirements now.

Treasury review of business energy efficiency taxation

Treasury review of business energy efficiency taxation

- Looking at Carbon Reduction Commitment, Climate Change Levy and mandatory reporting
- Consultation closed 9th November 2015
- Response may be published soon

but prediction is risky, particularly about the future

Minimum Energy Efficiency Standards

MEES

- Is enabled by the Energy Act 2011
- Is a domestic, not a European, requirement
- BUT it depends on the EPB Regulations for EPCs

- So, a commitment to MEES implies a commitment to retain EPCs and the associated legislation, made under Section 2(2) of the European Communities Act

- See also the source document link on slide 15

Thank you for listening

Any Questions?

- please save them for the panel session