

#### Contents

#### **Preface**

- 1. Introduction
- 2. Our vision for the housing sector
- 3. The housing sector
- 4. Environmental impacts and how we manage them
- 5. Compliance and taking opportunities to go beyond
- 6. Outcomes

# Why we are consulting

The draft sector plans are our initial ideas on where we can make the most significant impact. Getting feedback early in the process from our communities, partners and stakeholders is important and your feedback is critical to the success of our sector planning approach. If you think that we have got something wrong, missed a critical opportunity or not been as transparent as possible, please let us know your thoughts.

We aim to get these plans finalised in the first months of 2019 and then push on to implement them. Your views will also help to shape the prioritisation for the implementation, which will be completed following the consultation period.

The consultation is open until Friday 15 February 2019. Have your say, by completing the online consultation survey available from:

https://consultation.sepa.org.uk/sector-plan/housing



SEPA has a strong track record of regulating to improve the Scottish environment. We are proud of what we have achieved since we were set up just over two decades ago in 1996. We know we need to do more over the next two decades to build on this success. Much more.

The mounting scientific evidence about climate change, plastics in our oceans, the pressure on our freshwater and more shows us that humanity must rise to tackle major environmental challenges. This scientific knowledge underpins SEPA's strategy for how we will regulate - One Planet Prosperity. If everyone in the world lived as we do in Scotland, we would need three planets. There is only one.

So, we will regulate to help Scotland prosper within the means of our one planet. Successful businesses in future will be those that use low amounts of water, materials and carbon-based energy and create little waste. Prosperous societies will be comprised of these businesses. This can be Scotland.

In every sector we regulate, this means we will have two simple aims. We will ensure:

- 1. that every regulated business fully meets their compliance obligations;
- 2. as many regulated businesses as possible will go beyond the compliance standards.

This draft sector plan outlines how we will do this in regulating the housing sector.

In the future, only those cities, towns and villages that provide for prosperous, thriving lives within the resources of the planet will be successful and resilient. Getting our housing stock right is perhaps the most crucial part of this endeavour. Compared to most other sectors in which SEPA has a regulatory role, there are more organisations and interests involved in the housing sector. Furthermore, we are just one of many regulatory and other government agencies with a role to play. We are determined to further develop our relationships in the sector and base our involvement on strong partnerships.

That is why this draft sector plan is so important. We are at an early stage of developing ideas for how we can best play our specific role in the housing sector. In this draft plan, we explain our thoughts on how we should initially focus on securing environmental compliance and then quickly move to helping with beyond compliance in the sector, supporting efforts to create transformational change that will help the sector build prosperity.

This draft plan is ambitious. It spells out how we will use traditional environmental protection agency (EPA) regulatory tools, such as permits and enforcement, in clearer and more powerful ways. It sets out some completely new ways, such as novel partnerships, that we will develop and use to support innovation in this sector.

We would love to hear what you think of our draft plan. Once it's finalised, we are going to push on and implement it. So, if you think we've got something wrong, missed something out or not been as transparent as possible, please let us know your thoughts. We want to get this right and then get on with it.

#### Terry A'Hearn

SEPA Chief Executive Officer

#### 1. Introduction

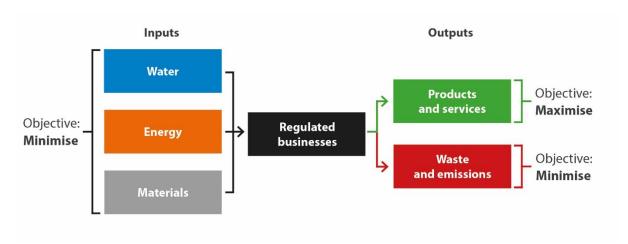
For SEPA to help create a prosperous Scotland that lives within the means of our one planet, we need to radically change the way we work. In the past our approach to regulation has been grounded in the different set of rules we manage to protect the environment. This has helped us to deliver, for example, improvements in water quality. However, it will not enable us to make the transformational changes needed to tackle today's problems.

We are moving instead to ground our regulation in working across whole sectors. In this way we can systematically identify the compliance issues that need to be tackled by the sector. But mere compliance and small scale incremental change will not be enough. We want to help businesses and sectors to implement successful innovation and support them in their ambitions to do more than they are required to by regulation. We call this 'moving beyond compliance': helping already high performing businesses to do more for the environment because it makes sense for them to grow in a sustainable manner. We will also identify where the biggest opportunities are for us to help the sector to go beyond compliance. In both ways this will help regulated businesses operate successfully within the means of one planet.

For the housing sector plan, the terms businesses and operators should be read as all-embracing terms that refers to everyone we regulate in this hugely diverse sector. This includes small, medium and large homebuilders, self-builders, home owners, those who rent, and the entire supply chain, including waste hauliers, industrial operators, construction companies and sub-contractors.

All businesses that we regulate in a sector use water, energy and raw materials to produce the products and services they sell. In doing so, they also create waste and emissions. We can think of these as environmental flows that need to be managed by the business (Figure 1).

#### **Environmental flows (Figure 1)**



For the housing sector, in addition to products and services for sale or rent, the simple flow of resources shown in Figure 1 also applies to how physical places are created and land is used. The flows can be translated into the following environmental impacts for minimisation and outputs to maximise:

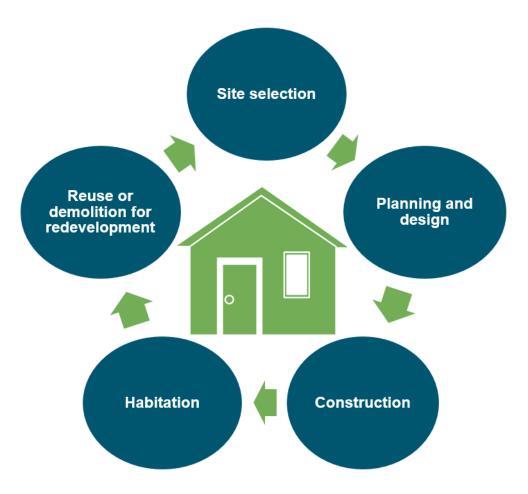
- Inputs to minimise (environmental resource consumption):
  - water: alterations to the water environment, unnecessary water demand, and flood risk and loss of flood storage;
  - energy: use of carbon energy/heat, carbon transport infrastructure, and poor air quality;
  - materials: use of raw materials, land take and soil sealing, carbon intensive infrastructure, and fragmentation and loss of habitat.
- Outputs to maximise (benefits):
  - land restoration and re-use;
  - green and blue infrastructure;
  - low carbon heat and energy;
  - low carbon active travel.
- Outputs to minimise (waste and emissions):
  - waste to landfill;
  - diffuse and point source pollution to the water environment;
  - land contamination and soil loss;
  - transport-based emissions.

We want to help as many businesses as possible to manage these flows effectively and reduce their use of natural resources and creation of waste in ways that enable them to meet their legal obligations, drive further improvements and operate their business successfully. To do this, we are preparing sector plans for every sector that we regulate.

Sector plans are at the heart of everything we do, shaping the interactions with every sector and the businesses in them. Through them, operators will get the relationship that their attitude and performance earns. Those that demonstrate a commitment to good environmental performance and deliver solid outcomes will receive powerful support through guidance and advice. Those that demonstrate behaviour which leads to significant or chronic non-compliance can expect SEPA to use the most appropriate enforcement tools to bring them into compliance.

This is our draft plan for the housing sector. It details how SEPA is going to regulate the sector, and work with it to protect and improve the environment. As summarised in Figure 2, the plan focuses on the entire life cycle of homes, including both existing stock and new build housing. This is because we experience compliance issues at every stage, which presents both a challenge and an opportunity. It explains how we will work directly to influence housing and also includes ways in which we will work with the sector to use our shared influence to improve environmental performance throughout the industry supply chain.

#### The lifecycle of homes (Figure 2)



#### **Consultation question 1**

Do you agree with the scope of the plan?

# 2. Our vision for the housing sector

A sector which consistently delivers high environmental performance which in turn creates one planet homes and places, benefitting all house-holders.

Innovation is the norm with all elements of the supply chain working to generate low waste, low materials use and low energy developments / home improvements.

Housing is designed in such a way to enable communities to:

- access a high-quality natural environment;
- be climate resilient;
- adapt to changing needs;
- deliver enhanced health and well-being benefits;
- generate community cohesion;
- tackle social inequality;
- economically prosper.

The creation of 'one planet homes' and 'one planet places' is at the heart of investment and decision-making, with the right incentives to influence consumer choices.

Our vision is centred on the concept of one planet homes and one planet places. By this we mean homes and places that act as the building blocks to help communities prosper within the resources of one planet.

We have aligned our vision with the Scottish government's vision for how our homes and communities should look and feel in 2040<sup>1</sup>, as well as wider plans and programmes like the Energy Efficient Scotland route map and Scotland's Climate Change Plan.

# What do we mean by one planet homes and places?

#### One planet home

Housing developments and home improvements which are low waste, low materials use, low or zero emission carbon energy and in the right location, minimising land take.

#### One planet place

Inspiring, distinctive and socially inclusive places where health and well-being is maximised and inequality minimised; where people are safe from the risk of flooding; where the water environment is accessible (and enjoyable because we've made it high quality and safe); where surface water is kept on the surface and is integral to urban design; where trees and urban woodland are designed in from the outset with benefits to clean air, noise attenuation, outdoor play and learning; where vacant and derelict land and properties are re-purposed to help relieve long-standing pressures on greenfield housing land release; where paths and

<sup>&</sup>lt;sup>1</sup> Scottish Government: Housing Beyond 2021 - A Discussion Paper on the Future of Housing in Scotland (2018)

networks are designed to support low carbon 'everyday life' i.e. walking/cycling/scooting to school/work/shops/community hubs rather than taking the car, and people interact on these journeys, building cohesion and integrity.

To achieve this vision we have designed a set of outcomes which align with Scottish Government's housing outcomes. These are included in section 6.

#### **Consultation question 2**

Do you think this vision sets the right level of ambition for the sector?

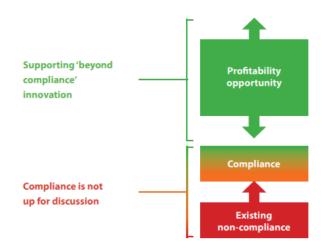
## Our objectives

The objectives of the housing sector plan are to:

- ensure all operators in the sector reach and maintain full compliance with Scotland's environment protection laws;
- help as many operators as possible in the sector to move beyond compliance.

This is illustrated by the sector roadmap (Figure 3).

#### **Sector roadmap (Figure 3)**



This sector plan sets out how SEPA will work with the housing sector. For our vision, outcomes and objectives to be achieved, our staff will work with partners and facilitate liaison between them and the housing sector to create opportunities that link business success with environmental success.

We want to bring together skilled, experienced and innovative people from across the sector to understand key challenges and opportunities to create

innovative solutions. If we get this right, it will mean that the environment is not seen as a constraint, but a platform on which economic and social success can be built, putting the housing sector on a pathway to becoming a 'one planet' sector.

# 3. The housing sector

Housing is hugely important for the people of Scotland and the Scottish economy. In 2014, housing is estimated to have directly contributed £1.6 billion to the Scottish economy, increasing to £3.2 billion across the supply chain, and to have directly employed over 30,000 people<sup>2</sup>.

Housing demand is higher than supply, with current housing completions down 30% on 2007 levels as the industry continues to recover from the economic downturn. There are fewer developers than pre-2008, particularly those small and medium businesses, which is an area of opportunity for expansion and innovation.

Pressures to deliver more homes are a reality - an ageing and growing population, and changes to household occupancy rates continues to add to those pressures. Industry figures suggest 23,000 new homes are required each year moving forward<sup>3</sup>, with current levels of new builds at around 16,000 - 17,000 per year<sup>4</sup>.

Scotland's seven cities and their regions are home to the majority of our population. Household growth is projected to be highest in the local authority areas of Edinburgh, Perth and Kinross, Aberdeen, East Lothian and Aberdeenshire<sup>5</sup>.

In a sector that already currently operates with constraints on lending, increased and competing demands on capital resources, reduced subsidies, an ageing population and smaller household size, delivering on housing supply will be no easy task. The supply of enabling infrastructure (water, energy, sewerage and roads) is also a key influencing factor on increasing the supply of new homes.

The sector is incredibly reliant on wider factors like the availability of land and funding for associated infrastructure, an efficient and effective planning system, the best science and engineering, plus having an experienced and skilled house building workforce. Clearly, the issues facing the sector are hugely complex.

Well-planned, good-quality housing can support strong, healthy, resilient communities and inclusive, economic growth across all of Scotland. We want to be an enabler of housing development, ensuring that our input contributes to the right house in the right location, and delivering great places in Scotland. We will ensure that the sector plans for strategic infrastructure (transport and utilities), and water and wastewater align to help enable this. We will also work with the metals and forestry sectors to facilitate the transition to sustainable construction materials, and the diversion of waste to landfill through the use of secondary materials. The relationship with other SEPA sectors is illustrated in Figure 5.

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<sup>&</sup>lt;sup>2</sup> The Economic and Social Benefits of Home Building Report by Nathaniel Lichfield and partners (2016)

<sup>&</sup>lt;sup>3</sup> The Commission for Housing and Wellbeing Report (2015)

<sup>&</sup>lt;sup>4</sup> Housing Statistics for Scotland 2017: Key Trends Summary (A National Statistics publication)

<sup>&</sup>lt;sup>5</sup> National Planning Framework 3.

#### Facts and figures for the Scottish housing sector (Figure 4)6

#### General



Number of householders with an average of 2 <sup>1</sup>/<sub>4</sub> people per home <sup>1</sup>



Over 6 in 10 households are owner occupied, over 2 in 10 are social rented and just under 2 in 10 are private rented<sup>1</sup>



The amount of houses expected to be in use in 2050 which have already been built



Projected annual increase in households, bringing the total number of households in 2041 to 2.76 million <sup>2</sup>

#### **Economic**



Invested by Scottish Government to deliver 50,000 affordable homes as part of the More Homes Scotland programme<sup>3</sup>



Number of jobs the More Homes Scotland programme will support in the the construction and related industries<sup>3</sup>



Economic activity that will be generated annually during the More Homes Scotland programme<sup>3</sup>



The annual estimated cost to the NHS for treating ill-health resulting from substandard housing in the UK<sup>4</sup>

#### Environmental



16.4%

Proportion of Scottish greenhouse gas emissions from the residential sector <sup>5</sup>



For every 10 houses built, the equivalent of one ends up in the skip



Households at risk of flooding, with an additional 90,000 predicted to be put at risk in future due to climate change<sup>6</sup>



The daily average amount of water used by each household in the UK<sup>7</sup>

#### Social



a household was made homeless in 2017 with 34,972 homelessness applications<sup>8</sup>

# 1 in 4 households

were classified as living in fuel poverty in 2016. Fuel poverty is related to both income and energy costs <sup>1</sup>

# More than 1 in 4 children

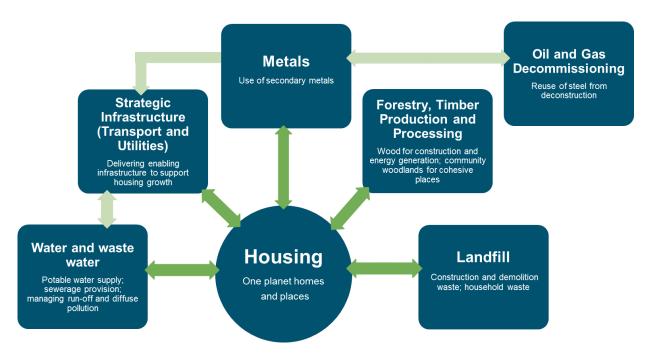
live in poverty, and this is increasing <sup>9</sup>



The amount of homes that have disrepair to critical elements, of which 28% are urgent <sup>1</sup>

- 6 Data source for facts and figures
  - 1. Scottish Household Survey 2017 Annual Report
  - 2. Household Projections for Scotland (2016 based), published 2018
  - 3. More Homes Scotland Factsheet
  - 4. The Cost of Poor Housing to the NHS: Nicol, Roys and Garrett, 2015
  - 5. Scottish Greenhouse Gase Emissions, 2016
  - 6. Energy Savings Trust
  - 7. Shelter Scotland
  - 8. Poverty and Income Inequality in Scotland 2014–2017
  - 9. National Flood Risk Assessment, SEPA 2015

### Relationship with other SEPA sector plans (Figure 5)



#### **Consultation question 3**

Does this section broadly set out the context and capture the key issues faced by the housing sector in Scotland?

Is there anything vital missing, or that should be changed?

# 4. Environmental impacts and how we manage them

# Environmental impacts throughout the housing life cycle and supply chain

The environmental impacts of the housing sector are strongly influenced by the site-selection and planning and design phases of the housing lifecycle. Figure 6 describes the main environmental impacts that can be readily avoided or reduced at key points early on in the lifecycle.

#### Potential environmental impacts (Figure 6)

#### Site selection

- Introducing new receptors (i.e. people) next to regulated sites can mean that regulated operators then struggle to meet air/odour conditions.
- Failing to consider flood risk and legacy issues related to the water environment.
- Greenhouse gas emissions from car-dependent locations, and impacts on air quality from public transport.
- Carbon footprint.
- Vacant and derelict land and land contamination.

# Planning and design

- Flood risk and storm water run-off both on site and downstream or failing to mitigate the risk of development causing flooding elsewhere.
- Carbon energy and heat demand.
- Waste ensuring space for waste management services are factored in.
- Water environment e.g. not planning to deal with legacy engineered solutions.
- Carbon footprint.
- Landtake for roads and drainage infrastructure.
- Loss of, or changes in biodiversity.

#### Construction

- Impacts on soil sealing, compaction, erosion, reduced infiltration rates and greenhouse gas emissions from carbon rich soils.
- Disturbance, fragmentation and loss of habitat.
- Loss of prime agricultural land, green belt and open space.
- Loss of flood plain storage, disruption/alterations to natural features and flood processes leading to increased flood risk.
- Alterations to river geomorphology, ecology and flows as a result of badly designed and/or unauthorised engineering works.

# Construction (continued)

- Point source pollution of the water environment from private waste water treatment systems e.g. poorly designed soakaways, and discharges from public sewer due to network capacity issues and cross-connections.
- Pollution of watercourses from silt run-off.
- Impacts on groundwater from de-watering, and passive ingress from contaminated soil.
- Poor management and illegal disposal of waste e.g. blending to mask as inert, burying, burning, misuse of exceptions, poor duty of care.
- Contamination not appropriately dealt with misclassified, hidden, little or poor remediation.
- Noise.
- Emissions to air from crushing, transport, burning of waste.

#### **Habitation**

- Pollution of the water environment from: cross connections; aging infrastructure; poorly designed; maintained or functioning private water treatment works and surface water drainage systems; people disposing of waste liquid inappropriately down drains.
- Illegal disposal of waste e.g. littering, fly tipping and use of unlicensed skip hire companies for domestic waste removal.
- Increased flood risk and disruption/alteration to natural features and processes caused by additional structures being erected on the flood plain (e.g. small extensions, garages, walls, sheds).
- Increased runoff (and loss of all soil functions) from soil sealing caused by paving over garden ground.
- Emissions to air from vehicle related travel and domestic scale biomass combustion e.g. wood burners and fire places.
- Greenhouse gas emissions from energy use within the house and vehicle related travel.

#### Reuse/ demolition

- Pollution of the water environmental from silt run-off during demolition activities.
- Mobilisation of contaminants.
- Illegal disposal of waste.
- Emissions to air from crushing activities on site, illegal burning of waste and vehicle movements.
- Greenhouse gas emissions from vehicle movements and energy use.
- Noise.

# Supply chain: materials

(Applicable to construction, habitation and reuse/demolition stages)

- Mining and depletion of raw materials e.g. sand resources (for concrete) and minerals.
- Greenhouse gas emissions and impacts to air associated with mining, processing, manufacture, use of fossil fuels and transport of construction materials.
- Impacts on the quality of the water environment from abstraction of water, and discharges of water associated with mining, processing and manufacture.
- Impacts from waste products and disregarded materials.
- Generation of micro-plastics from plastic components, packaging and tyre wear impacting on sea life.
- Impacts on the water and energy from materials reprocessing.

#### **Consultation question 4**

Have we got the key environmental impacts across the lifecycle and supply chain right? Are there any other impacts that concern you that are not included?

## **Environmental regulation of the sector**

Scotland's housing sector is not regulated as a distinct activity and we only regulate certain types of activities within it. Our role in managing environmental impacts, alongside the role of others, is summarised below.

#### **How SEPA regulates environmental impacts**

#### We **directly** regulate:

- Under the Pollution Prevention and Control (PPC) Regulations 2012, many industrial processes and activities, including for the manufacture and processing of materials for the construction sector. This includes cement works, extraction of aggregate and other primary products from quarries and mineral workings, and timber processing plants.
- Under the Water Environment (Controlled Activities) (Scotland) Regulations 2011 (CAR), activities affecting the water environment, including private waste water systems, private abstractions, and engineering activities often associated with housing developments such as culverts, bank protection, channel realignments, like engineering works to the banks of a river.

- Under the Radioactive Contaminated Land (Scotland) Regulations 2007 we are responsible for the investigation, identification, characterisation and regulation of remediation of radioactively contaminated land. And under Part IIA of the Environmental Protection (Scotland) Act 1990 we are the enforcing authority in securing remediation of contaminated land which has been designated as a special site.
- Under various waste management regulations which cover anyone who produces or imports, keeps or stores, transports, treat or disposes of waste – whether household, commercial or industrial. For example:
  - Special Waste Regulations 1994: any waste with hazardous properties which may render it harmful to human health or the environment like asbestos or contaminated soils and solids.
  - Environmental Protection Act 1990: the majority of waste management facilities, including mobile plants, need a Waste Management Licence or exemption. This includes the handling of construction and demolition waste.

The Act also places a legal duty of care on waste producers and managers to take all reasonable steps to store waste securely, transfer waste to an appropriately licenced facility, complete a waste transfer note and use a registered waste carrier to transport their waste materials.

In addition to these areas where we have direct regulatory control, we have a **statutory influencing role** in the following, and see securing compliance with these areas as essential to achieving our overall compliance goals:

- River basin management planning: we co-ordinate production of Scotland's river basin management plans, but the responsibility for delivery is placed on a number of responsible authorities, not just SEPA. These responsible authorities are expected to deliver improvement objectives for water bodies. For example, planning authorities are expected to secure improvements to the water environment e.g. tackling legacy engineering through developments, including housing developments.
- Land use planning: we are a statutory consultee for the preparation of development plans, certain types of planning applications, applications requiring Environmental Impact Assessment and plans, policies and programmes requiring Strategic Environmental Assessment. Through our planning and contaminated land function, we provide advice on various matters including flood risk, protection and enhancement of the water environment, sustainable resource use, and potential consent-ability under environmental regulation.
- Flood risk: we are Scotland's national flood forecasting and flood warning authority and the strategic flood risk authority. We are responsible for producing flood risk management strategies and coordinating the preparation of local flood risk management plans. Under the Flood Risk Management (Scotland) Act, SEPA and responsible authorities have a duty to reduce overall flood risk and promote sustainable flood risk management.

Local air quality management: under Part IV of the Environment (Scotland) Act 1995, we are a statutory consultee and also the appropriate authority for local air quality management. We also have reserve powers to require local authorities to take action where they are failing to make sufficient progress in fulfilling their local air quality management duties.

Around 80% of environmental legislation in Scotland originates from the European Union. As the UK leaves the EU, changes will, where necessary, be made to domestic legislation to ensure that the standards of environmental protection we enjoy today and the principles upon which they are based are maintained. Therefore, while some of the detail of the legislation we use to regulate may change, our work to protect Scotland's environment will not. Our commitment to tackling non-compliance with environmental laws and, where necessary, taking enforcement action will not diminish as a result of the UK leaving the EU.

#### How others regulate environmental impacts

**Planning Authorities - the planning system:** plays a key role in delivering housing and high-quality places for Scotland. It considers environmental, social and economic impacts and balances competing demands to make sure that land is used and developed in the public's long-term interest.

In particular, the National Planning Framework aims to facilitate new housing and the wider planning system can help to address the challenges facing the housing sector by providing a positive and flexible approach to development. For example, through development plans, the planning system seeks to allocate sites for housing and maintain at least a five-year supply of effective housing land at all times to support a range of attractive, well-designed, energy efficient, good quality housing across all tenures.

New build housing and certain types of renovations and demolitions may require planning permission. Where there is likely to be a significant effect on the environment, a small number of applications may also need an Environmental Impact Assessment or Appropriate Assessment.

**Local authorities - building standards:** set standards for the design and construction of buildings to ensure they are safe, efficient and sustainable. This includes environmental standards for a range of elements such as surface and wastewater drainage, flooding and groundwater, dangerous and hazardous substances, contaminated land, combustion appliances, lighting, ventilation and water efficiency. Energy and sustainability standards regulate carbon dioxide emissions, energy performance and resource efficiency.

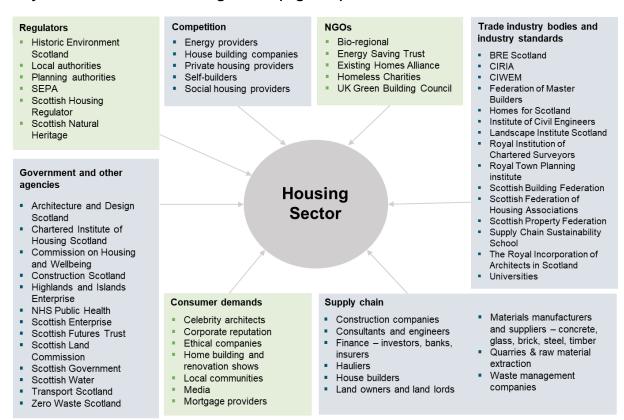
**Scottish Housing Regulator – Scottish housing quality standards:** regulates social landlords and sets standards that cover among other things, energy efficiency and safety.

# Wider influences on environmental performance of the housing sector

Full compliance with environmental regulations will not, by itself, deliver the transformational change required to secure our One Planet Prosperity objectives. The Housing Sector Plan needs to unlock the potential for businesses to gain strengths in resource efficiency and environmental innovation that will help them to succeed in their markets. We need therefore to combine the actions that we can take to influence the behaviour of a business through our regulatory role with all the other influences. Doing this will be the most effective way to secure full compliance and to help as many businesses as possible to move beyond compliance.

Working with the sector, we will place this more sophisticated way of operating at the heart of our work. Figure 7 summarises the main organisations that influence and are influenced by operators in the housing sector and identifies those that we are likely to work with in both the short and longer term. As we implement-the plan we will consider the opportunities these relationships provide and how we would like them to develop.

#### **Key influences on the housing sector (Figure 7)**



#### **Consultation question 5**

These are the key partners and influencers that we have identified who may be able to help us work to achieve our outcomes. Bearing in mind that the list is not exhaustive, is anyone vital missing?

# 5. Tackling non-compliance and taking opportunities to go beyond

### Compliance in the sector

Compliance<sup>7</sup> with environmental law is non-negotiable and regulated businesses in the sector need to comply. Earlier we described compliance, including those activities that SEPA has direct regulatory decision-making control over and the activities where we have a statutory influencing role. Essentially, we are viewing compliance in its widest sense.

The key issues contributing to non-compliance in activities we **directly regulate** are associated with waste management, private sewage provision, surface water management and engineering in the water environment.

The key issues contributing to non-compliance in areas where we have a **statutory influencing role** include failure to consider duties in relation to the water environment and flood risk.

Examples of these issues are illustrated in Figure 8.

#### **Consultation question 6**

To help inform how we could best address compliance we want to understand what is preventing full compliance in the housing sector.

- (a) Thinking about the non-compliance examples provided in Figure 8, are there specific barriers we could resolve as a regulator? What are they?
- (b) Which part, or parts, of the lifecycle of homes presents the biggest challenge or opportunities in the context of environmental regulation?

<sup>&</sup>lt;sup>7</sup> Compliance with environmental authorisations is currently measured by our Compliance Assessment Scheme. This scheme is currently being reviewed.

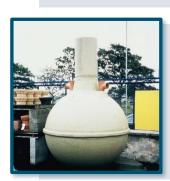
#### Examples of activities and issues that contribute to non-compliance (Figure 8)

## **Activities directly regulated by SEPA**



#### Waste issues throughout the lifecycle of homes

- Incorrect storage of construction and demolition waste and transfer to unauthorised collectors.
- Mis-classification and/or characterisation of soils and other demolition wastes.
- Illegal disposal.
- Misuse of waste management licence exemptions e.g. the uses are not genuine, the soil unsuitable or the quantity used is more than required.
- Inappropriate management of excavated peat.



# New or existing private sewage provision issues causing effluent quality failures

- Inadequate maintenance of private waste water treatment systems e.g. septic tanks.
- Cumulative impact of discharges that don't meet the appropriate standards causes downgrades in water quality.



#### Surface water management issues

- Cross connection of sewage and storm water drains.
- Construction practices leading to avoidable run-off of sediments and other pollutants.
- Inadequate maintenance of sustainable drainage systems after construction.



#### **Engineering activity issues**

- Unauthorised engineering activities causing harm to the water environment.
- Breaches in licence conditions for authorised engineering activities.

#### Issues where SEPA has a statutory influencing role



#### **River Basin Management Planning**

- Failing to leave sufficient space for the water environment, including lack of buffer strips.
- Failing to deliver water body improvement objectives as part of housing development, or failing to provide space for future water body improvements.
- Mismanaging invasive non-native species during and after construction phase.



#### Flood risk

- Sites at medium-high risk of flooding (including those behind flood protection schemes not designed to the appropriate standard) are often still promoted for housing
- Flood risk is not always adequately considered at site selection and construction/design phases
- Land raising on flood plains through permitted development rights
- Households unknowingly increasing run-off by paving over front gardens

# How are we going to address non-compliance?

We will help responsible compliant businesses to operate by making it significantly harder and more expensive for those who persistently fail to comply with environmental regulation to operate. We will achieve this by increasing scrutiny, prescription, fees and the use of the full range of enforcement measures including monetary penalties for those who fail to comply.

The sector plan provides an opportunity to be more strategic and co-ordinated in how we will tackle non-compliance consistently across Scotland. Some of what we are already doing and what we would like to do is highlighted below. We plan to use the next three months to engage with the sector as we are developing solutions to the suite of compliance challenges identified.

#### General

#### SEPA will:

- Develop the internal systems so we can fully quantify the scale of the compliance challenges associated with housing.
- Raise awareness of compliance issues and develop an understanding of the barriers to compliance by direct engagement with the sector e.g. through roadshows.
- Use all the enforcement measures available to us including fixed and variable monetary penalties to tackle non-compliances across the sector.
- Use the establishment of the new SEPA permitting service and digital permitting to identify where efficiencies can be delivered for determination of applications for authorisation and review and update relevant guidance documents
- Strengthen responses to applicants to make clear that advice contained in a response relates directly to specific regulations, for example CAR, and does not negate their need to ensure all other regulatory aspects are identified and addressed, for example flood risk or waste management.
- Explore ways to develop more effective early engagement and ongoing dialogue with housing developers throughout the lifetime of projects.
- Investigate the potential to allocate designated relationship managers to some of the bigger housing developers (potentially pilot a trial with two to three developers from April 2019).

#### Waste and contaminated land

#### SEPA will:

- Develop proposals to tackle duty of care issues and drive waste mismanagement and illegal waste disposal out of the sector For example, increased education and awareness via duty of care awareness campaigns, improved systems for cradle to grave waste tracking, more effective self-policing of waste acceptance.
- Establish better links with local authorities to help get materials management plans in place early and undertake more targeted site inspections.
- Consider how best to ensure waste is properly characterised prior to use/moving off site/coming onto site.
- Review national inspection regimes for waste management exemptions, prioritising on a risk basis and ensure all high priority exemptions are inspected annually.
- Ensure new ways of regulating waste management exemptions are harnessed via the implementation of the Integrated Authorisation Framework to ensure that the activities are subject to the appropriate level of regulation.

#### Water

#### SEPA will:

- Work with local authorities to ensure they are clear about their responsibilities under the river basin management plans, particularly in relation to their key role in securing the delivery of physical condition improvements, remediation of contaminated land and groundwater.
- Develop clear guidance on what we want to achieve in developments with respect to space for the water environment, blue-green infrastructure to deliver effective surface water management and pollution control, river basin planning objectives and wider multiple benefits.
- Work with the sector to develop and deliver water environment improvement projects, including the removal or easement of redundant fish barriers and the restoration of river channels in or near our towns and cities where wider social and economic benefits for local communities can be realised, utilising Water Environment Fund where appropriate. This can include legacy impacts associated with river engineering.
- Continue to implement our fixed monetary penalty campaign to tackle engineering in or adjacent to the water environment undertaken without the required authorisation or where the conditions specified in the authorisation have been breached.
- Develop and undertake a targeted proactive programme of inspections to identify non-compliances with CAR engineering authorisations and to ensure site drainage has been constructed in line with the agreed plan.
- Tackle the issues associated with surface water run-off from construction sites by ensuring that developers obtain and comply with a CAR construction site licence where appropriate.
- Develop a better understanding of the point source and diffuse source cumulative impacts of private sewerage treatment.
- Implement a simplified and strengthened approach to how we authorise proposed new private waste water discharges – see our <u>Water and Waste Water Sector Plan</u><sup>8</sup> for more detail.
- Assist Scottish Government and other partners to devise and trial new ways to ensure domestic private waste water treatment systems are professionally inspected, maintained and, where necessary, upgraded to ensure minimal environmental impact.
- Seek to address issues with sewer network capacity by:
  - undertaking a review of how SEPA licences and regulates sewer networks;
  - directing effort to catchments with capacity issues/proven environmental impact;
  - undertaking a review of waste water treatment works failing dry weather flow.

21

<sup>&</sup>lt;sup>8</sup> Sector plans are available from sectors.sepa.org.uk

- Collate the range of waste water non-compliances that could be dealt with more effectively through land use planning solutions and facilitate a discussion with Scottish Government planners.
- Investigate with Scottish Government the potential to include operational function of sewage treatment systems within home reports to ensure compliance at point of sale.
- Investigate options to increase compliance with drinking water standards for private water supplies and increase water scarcity resilience.

Additional actions that will also deliver for the housing sector are included in our Water and Waste Water Sector Plan.

#### **Flooding**

#### SEPA will:

- Review how we undertake our flooding and planning work and identify improvements, such as improving evidence to support house builders consider flood risk early on.
- Drive improvements in flood risk assessments by promoting good practice examples across the sector.
- Investigate options to update guidance on Paragraph 9 and 19 Waste Management Licensing Exemptions to ensure flood risk is taken into account.
- Identify ways that existing legislation could be improved to minimise unintended impacts on the flood plain.

#### **Consultation question 7**

Addressing non-compliance

- (a) Are these the right actions to tackle the compliance issues we identified in the sector?
- (b) Are there specific areas of non-compliance that are likely to respond better to the use of our enforcement measures than others?

### Where are the opportunities to go further?

We believe that those societies and economies that are low resource use, low energy use low water use and low waste will be the most successful in the 21st century. Businesses that are the most innovative will best rise to the challenges of our time, such as over use of resources and climate change and create sustainable, inclusive economic growth.

To do this, every business must reach full compliance with environmental laws. But mere compliance and small scale incremental change will not be enough. At SEPA we want to help businesses and sector to implement successful innovation and support them in their ambitions to do more than they are required to by regulation. We call this 'moving beyond compliance': helping already high performing businesses to do more for the environment because it makes sense for them to grow in a sustainable manner.

The Scottish Government has identified the transformation of the new build housing market as a priority<sup>9</sup>. However, with 80% of the housing stock that will be used in 2050 already built, there are also significant opportunities associated with improving existing homes. Where, what and how we build and improve homes provides opportunities to reduce emissions, maximise energy efficiency and climate resilience, and deliver buildings that are flexible over the long term. This will be central to the economic success of Scotland – with good quality buildings and places not necessarily costing more, especially when long term costs and benefits are considered.

Scotland's Sustainable Housing Strategy also identifies the need to work with industry to maximise the potential for Scottish-led innovative design and construction techniques, not only to deliver more sustainable homes and neighbourhoods here, but to create export and other economic opportunities across the supply chain. We will strive to assist this transformation through our sector plan. This will help to meet the expected future demand for homes in a more sustainable way that supports the low carbon economy and helps prevent fuel poverty.

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<sup>&</sup>lt;sup>9</sup> Scotland's Sustainable Housing Strategy, 2013

#### Water

Water in the right place, in the right amount and of the right quality underpins our society and economy. We need water to drink, wash, grow food, supply power, build things and maintain the benefits we all receive from a healthy functioning natural environment. Scotland's water resources vary by orders of magnitude in time and space and uncontrolled exploitation of water can affect its availability for other uses. This may be by increasing flood risk, reducing water availability, polluting water supplies or introducing invasive species into rivers, lochs and groundwater. All of these risks may be further enhanced as our climate changes and it is important that sector plans take account of risks from and to water resources.

Water and housing are intrinsically linked – we use it to build, we depend on it daily for survival, we need to dispose of it, and often it surrounds the development, contributing to that unique sense of place. But, in times of extreme weather it can in some instances threaten our homes.

Creating space for water – the entirety of the water environment, including areas for storing flood water, should be considered at the earliest possible stage of site assessment and layout design. This can help realise the widest range of positive benefits for people, the economy and the environment. For example, amenity value, active travel routes, space for health and well-being, climate resilience and adaptation, and biodiversity.

#### SEPA's aspirations are:

- To work with others to re-think how we use water (potable and non-potable) throughout the supply chain and design homes to use less water and to utilise non-potable water where appropriate. This includes working with the sector to address leakage from household pipes and taps. To achieve this we will align with our sector plan for water and waste water.
- To work with others to determine innovative solutions to use waste water as an asset. To achieve this we will align with our sector plan for water and waste water.
- To work more effectively to safeguard space for the water environment so our rivers can recover over time through natural processes or from active restoration projects; through green infrastructure and green spaces which have been designed to manage and absorb rainwater, alleviate flood risk, improve water quality and built in climate resilience. This should be linked with active travel and integrated into the wider landscape to maximise habitat connectivity and provide multiple benefits.
- To ensure those in the sector build and create new homes that are safe from flooding now, resilient to future flooding, and insurable. Early and strong links between this sector plan and our forthcoming Flood Strategy and a commitment to work across the housing sector will strengthen opportunities for outcome delivery and achieve the resilience we require around flood risk and water scarcity.

#### **Greener Gardens**

Gardens of new homes can be used to contribute to green infrastructure, biodiversity and storm water management.

The Greener Gardens initiative provides practical tips on incorporating green infrastructure into development. This partnership between the Scottish Government, Central Scotland Green Network Trust, Taylor Wimpey West Scotland, Abertay University and C+D Associates received the 2015 VIBES Award for Cooperation Working.

#### **Materials**

The circular economy is a game-changing opportunity to manage resources within planetary limits, reduce the harms associated with waste management and create economic opportunities. We must dramatically cut waste production across the economy, recover more and dispose of only the very minimum. Where waste is produced, we will always seek to facilitate the productive use within a framework of strong environmental protection.

Not only can resource efficiency improve productivity, and the bottom line for business, it can bring environmental improvements and reduce our reliance on virgin raw materials.

The construction sector is a huge consumer of natural resources and accounts for around 50% of all wastes generated in Scotland. For this reason, building construction has been identified as a priority sector for circular economy growth. We believe it is essential to work collaboratively to support the sector embrace circular economy principles in design, build, refurbishment, reuse and disassembly of materials.

#### SEPA's aspirations are:

- To work with partners to promote the benefits of resource efficiency. For the housing sector this means designing out waste with carefully considered material choices and designing in systems that make it easy to recapture materials at the end of the useful life. This could be done by ensuring the process of procuring buildings and services is designed with the environment and raw material impact in mind.
- To work with industry and partners to help increase the use of secondary aggregates in the economy, while reducing the demand for primary aggregates. Construction aggregate demand in Scotland is around 29 million tonnes, of which 20% is met by recycled aggregates<sup>10</sup>.

<sup>&</sup>lt;sup>10</sup> SEPA, Recycled Aggregate from Inert Waste (2013)

- To work with industry and partners to facilitate the use of secondary materials, including:
  - reuse of timber and promoting the sustainable use of Scottish timber in housing construction. Around 85% of all new homes in Scotland are built using wood although only one third are constructed using Scottish wood. Home-grown timber reduces the cost of transportation and embedded carbon. To achieve this we will align with our <u>Forestry</u>, <u>Timber Production and Processing Sector Plan<sup>11</sup></u>;
  - reuse of glass in construction. Around 200,000 tonnes of glass is sent to landfill each year. Double-glazed windows have a lifespan of 25 years before the rubber seal fails and needs to be replaced. Glass manufacturing is a very energy intensive process;
  - reuse of structural steel and aluminium. Structural steel and aluminium are significant construction resources used as part of the frames and envelopes of Scotland's buildings and infrastructure. Both have significant use in housing, both existing stock and new build, and both have high-embodied carbon, inherently durable for reuse. To achieve this we will align with our Metals Sector Plan<sup>12</sup>.
- To work with the sector to explore opportunities to reuse, retrofit and upgrade existing homes in ways that secure higher environmental performance standards and climate resilience.

#### The Resource Efficient House

This demonstrates how the latest principles in resource efficiency and waste reduction can be applied in house building.

Currently, an average three-bed home built in Scotland produces as much as 13 tonnes of construction waste. The Resource Efficient house produced less than five tonnes of construction waste, with less than one tonne going to landfill. As well as facilitating sustainable living for occupants, the design of the house ensures maximum recycling inuse and reuse of construction products at the end of life.

#### **Eco-brick**

An eco-brick that that is made from 90% recycled construction and demolition waste is being produced in Scotland. The manufacture is low cost and low energy. The design also reduces a buildings running costs because they are breathable so prevent condensation build-up, and their high thermal mass keeps buildings cool in summer and warm in winter.

<sup>&</sup>lt;sup>11</sup> Sector plans are available from sectors.sepa.org.uk

<sup>&</sup>lt;sup>12</sup> Sector plans are available from sectors.sepa.org.uk

## **Energy**

Energy is an essential resource that enables social and economic development. However, while energy is fundamental to the economy, electricity and heat production, transmission, storage and use can have significant environmental impacts.

How we use and manage our energy resources is central to our ability to live within the resources of our planet. Energy is one of the most important aspects of the transition to a sustainable low carbon economy and there are often cost savings and other benefits for businesses associated with improving their energy efficiency and making use of alternative sources of energy.

Improving the source, efficiency and energy intensity of heat and electricity use in Scotland's homes is at the heart of achieving Scotland's climate change targets as 25% of energy consumption in Scotland is from transport and 51% is from heat required for our homes and businesses<sup>13</sup>. This requires consideration of ways to decarbonise heat and transport across the housing life cycle, existing stock and new homes. Although there are significant challenges in addressing the existing housing stock, there are also significant opportunities as refurbishments offer the potential to implement innovative products and solutions that deliver improvements not only in energy use but also in water and materials usage.

#### SEPA's aspirations are:

- To work in collaboration with businesses in the sector, including its supply chain and our partner organisations, to identify where opportunities might exist to minimise the energy requirements of Scotland's homes from construction through to the refurbishment of existing stock.
- To use our role as a delivery agency for the Scottish Energy Strategy, to work in partnership with, and support, Scottish businesses in maximising their sustainable economic opportunities. We can use our regulatory tools, experience, knowledge and partnership approach to help to influence improved decision-making regarding production, transmission, storage and use.
- To promote best practice from within the sector for improving energy efficiency and supporting and encouraging the development and use of innovative low carbon energy solutions.
- To use voluntary initiatives such as sustainable growth agreements and the VIBES award to specifically showcase and inspire low carbon energy innovation.
- To work with Scottish Government and planning authorities to encourage strong energy resource policies in the National Planning Framework and development plans and encourage new industrial facilities to be situated in the most appropriate location.
- To work with partner organisations to signpost information for homeowners and landlords regarding forthcoming requirements for the existing housing stock.

<sup>&</sup>lt;sup>13</sup> Scottish Energy Strategy: The Future of Energy in Scotland 2018

- To support implementation of Scottish Energy Strategy<sup>14</sup> core principle 'A smarter local energy model' by "Supporting and delivering local solutions to meet local needs, linking local generation and use, can help create vibrant local energy economies".
- To engage with Scottish Government on the review of the Scottish Building Regulations. With the housing sector responsible for 16.4% of Scottish greenhouse gas emissions, there is a major opportunity to transform how we design houses to improve resource efficiency and reduce emissions – not only in energy use but also in water and materials usage.

#### Gold standard off-site manufactured housing

A first for Scotland, 48 affordable homes that were manufactured off-site achieved the gold standard of building regulations in 2017. This demonstrates how the use of volumetric construction can help Scotland tackle an acute affordable housing shortage. It also proves that housing with high thermal performance, can be built at affordable cost and save 20%+ in the build time.

#### Land

Land provides us with a range of economic and environmental services, including clean water, protection from flooding, carbon storage, the plants we use for fuel, building materials, space to grow food and green space for the health of us all. With competing demands for land we need to ensure all needs are balanced and the right land is use for the right purpose.

Where possible we should avoid building homes on land that would better utilised for a different purpose, for example, crop production or forestry, and ensure that the land that we do use, is used in the most efficient way. We also need to go further than just mitigating the impacts of development by identifying opportunities to deliver overall net environmental gain.

#### SEPA's aspirations are:

- To continue to work with other agencies to align our resources, evidence and knowledge in a way that best supports the delivery of great places for Scotland.
- To explore opportunities to work at a more strategic level across the lifecycle of housing development to identify early interventions that will help avoid or reduce environmental impacts and deliver enhancements.
- To seek opportunities to engage with the new Infrastructure Delivery Group, which has been set up to promote and drive forward an infrastructure first approach to planning and development, with a particular focus on housing delivery. We will align

<sup>&</sup>lt;sup>14</sup> Scottish Energy Strategy: The Future of Energy in Scotland 2018

this engagement with our <u>Strategic Infrastructure (Transport and Utilities)</u> and <u>Water</u> and Waste Water Sector Plans<sup>15</sup>.

- To ensure best use is made of our vacant and derelict land. There are nearly 12,000 hectares of vacant and derelict land in Scotland, the equivalent to over 9,000 football pitches. The Scottish Land Commission and SEPA have a shared vision to transform the approach to vacant and derelict land in Scotland bringing sites back into use with both economic and social benefits for all of the country. Some of those sites may lend themselves to the construction of new homes or the creation of green infrastructure and green spaces that supports housing.
- To recognise and promote the different roles and value of land. Where land is highly suitable for a primary use like crop production, flood management, water catchment management and carbon storage this value should be recognised in decision making.
- To improve how soil resources are managed, by minimising and mitigating the impacts on soil from stripping, handling, sealing and compaction. Soil sealing is the most intense form of land take and is essentially irreversible, since the formation of soil is so slow, taking generations to accumulate just a few centimetres.
- To ensure the layout, design and construction of houses is appropriate for the location and site specifics. For example, ground type and conditions (e.g. peaty soils and land contamination), suitable buffers to reduce potential conflict from co-location with SEPA regulated sites, design solutions to reduce residential exposure to poor air quality.

#### **Consultation question 8**

The aspirations identified under Water, Materials, Energy and Land are our initial thoughts for how we could help the sector to go further. Do you think we have identified the right aspirations?

# What actions are we going to take?

The following table summarises the actions that we have described above to fix compliance in the sector and, working in partnership, help businesses take opportunities to go beyond compliance. These are described according to the key outcomes that we would like this sector plan to achieve. The actions and aspirations set out, are our initial thoughts on what needs to be done to achieve the aims of this sector plan. We are at an early stage in sector plan development, and the actions that we prioritise will be informed by the findings of this consultation and further internal discussions between now and March 2019.

<sup>&</sup>lt;sup>15</sup> Sectors plans are available from sectors.sepa.org.uk

A number of the actions identified in the table will deliver for multiple outcomes or address compliance issues across multiple sectors. We will work across SEPA sectors to maximise opportunities for joint projects internally or with partner organisations.

Outcome Sought	Actions and Aspirations	
A well-functioning housing system that meets people's needs		
(A) Strong environmental performance of operators and supply chain	Improve our understanding of the scale of compliance challenges associated with housing by seeking to:	
	<ul> <li>develop internal systems so we can fully quantify the scale of non-compliance;</li> </ul>	
	<ul> <li>develop and undertake a proactive programme of inspections to identify non-compliances throughout our regulatory regimes in order to direct permitting and enforcement action;</li> </ul>	
	<ul> <li>undertake a review of waste water treatment works failing dry weather flow;</li> </ul>	
	<ul> <li>gain an understanding of the point source and diffuse source cumulative impact of private sewerage treatment.</li> </ul>	
	Ensure our regulatory permits set both the sector and SEPA up for success to effectively tackle non-compliance. This includes:	
	<ul> <li>the establishment of the new SEPA permitting function and digital permitting to identify where efficiencies can be delivered for authorisation determinations;</li> </ul>	
	<ul> <li>implementing our new construction site licences;</li> </ul>	
	<ul> <li>undertaking a review and reinvention of how SEPA regulates sewer network licences;</li> </ul>	
	<ul> <li>directing effort to catchments with sewer capacity issues/proven environmental impact;</li> </ul>	
	<ul> <li>implementing a simplified and strengthened approach to how we authorise new private waste water discharges – see our <u>Water and Waste Water Sector Plan<sup>16</sup></u> for more detail;</li> </ul>	
	<ul> <li>improving how we regulate waste management exemptions through the implementation of the Integrated Authorisation Framework;</li> </ul>	
	<ul> <li>publishing updated guidance on Paragraph 9 and 19 waste management licensing exemptions to ensure that flood risk is taken into account;</li> </ul>	
	<ul> <li>strengthening licensing and planning consultation responses to applicants to make clear that advice relates directly to specific regulations.</li> </ul>	

<sup>&</sup>lt;sup>16</sup> Sector plans are available from sectors.sepa.org.uk.

### **Outcome Sought Actions and Aspirations** A well-functioning housing system that meets people's needs (A) Strong 3. Explore ways to develop more effective early engagement and environmental ongoing dialogue with housing developers and supply chain performance of throughout the lifetime of projects. This includes: operators and raising awareness of compliance issues and developing an supply chain understanding of the barriers to compliance by direct (continued) engagement with the sector; investigating the potential to allocate designated relationship managers with some of the bigger housing developers; 4. Set ourselves up to use the full range of enforcement measures at our disposal to ensure proactive and reactive enforcement is delivered efficiently and effectively: using enforcement measures such as fixed and variable monetary penalties more widely; develop proposals to tackle duty of care issues and drive waste mismanagement and illegal waste disposal out of the sector. 5. Engage with Scottish Government, local authorities and other key partners to ensure we have the right policy and consistent approach to policy implementation to prevent non-compliance: address loopholes in the law that can be exploited to develop on flood plains; ensure local authorities are clear about their responsibilities under the river basin management plans; explore whether non-compliance associated with sewerage provision could be prevented by interventions earlier in the planning and development stages of housing; devise and trial new ways to ensure domestic private waste water treatment systems are appropriately maintained and upgraded; get materials management plans in place early and ensure waste is well characterised. (B) Homes are Improve the consideration of flood risk by: climate ready and 1. reviewing how we undertake our flooding and planning work and adaptable to identify improvements to support house builders consider flood changing risk; household needs 2. driving improvements in flood risk assessments by promoting

good practice examples across the sector.

Outcome Sought	Actions and Aspirations	
A well-functioning housing system that meets people's needs		
(B) Homes are climate ready and adaptable to changing household needs (continued)	<ul> <li>Work with partners to:</li> <li>3. help the sector utilise best available science to inform the design of climate change adaptation measures in homes;</li> <li>4. explore opportunities to reuse, retrofit and upgrade existing homes to secure higher environmental performance and climate change resilience.</li> </ul>	
(C) Low and zero carbon enabling infrastructure is designed-in from the start and provided early on	<ol> <li>Work across the sector to influence decision-making by:</li> <li>encouraging the inclusion of strong energy resource planning policies and new industrial facilities to be situated in the most appropriate location;</li> <li>supporting the implementation of the Scottish Energy Strategy;</li> <li>seeking opportunities to engage with the new Infrastructure Delivery Group.</li> </ol>	
High quality, sustainable homes		
(D) Water is used efficiently and returned to the environment in a clean state	<ol> <li>Work with partners to:</li> <li>re-think how we use and minimise water throughout the supply chain and house design;</li> <li>identify innovative solutions to use waste water as an asset;</li> <li>investigate the potential to include operational function of sewage treatment systems and water usage within home reports.</li> </ol>	
(E) Energy demand is minimised and supplied by a zero/low carbon source	<ol> <li>Work with partners and businesses across the supply chain to:</li> <li>identify where opportunities may exist to minimise energy requirements;</li> <li>signpost information for homeowners and landlords regarding forthcoming requirements for the existing housing stock;</li> <li>use voluntary initiatives such as sustainable growth agreements and the VIBES award to showcase and inspire low carbon energy innovation;</li> <li>engage with Scottish Government on the review of the Scottish Building Regulations.</li> </ol>	

Outcome Sought	Actions and Aspirations	
A well-functioning housing system that meets people's needs		
(F) Maximum value is derived from materials across the supply chain and throughout the life cycle of homes	<ol> <li>Work with partners and industry to:</li> <li>promote the benefits of resource efficiency;</li> <li>reduce reliance on primary aggregates and increase the use of secondary aggregates;</li> <li>facilitate the re-use of secondary construction materials, particularly timber, glass and metals.</li> </ol>	
Sustainable places and communities		
(G) People have access to a high quality, safe, climate change ready natural environment	<ol> <li>Work with partners to:</li> <li>explore opportunities to work at a more strategic level across the lifecycle of housing development to identify early interventions that will help avoid or reduce environmental impacts and deliver enhancements;</li> <li>support the work of the Vacant and Derelict Land Task Force to help bring land back into productive use;</li> <li>increase understanding of the different roles and value of land;</li> <li>improve how soil resources are managed;</li> <li>ensure the layout, design and construction of houses is appropriate for the location and site specifics.</li> </ol>	
(H) Space is made for the water environment	<ol> <li>Develop clear guidance on what we want to achieve in developments with respect to space for the water environment and blue-green infrastructure, and explore options to educate those involved earlier in the design process e.g. landscape architects and quantity surveyors.</li> <li>Continue to administer the Water Environment Fund to support the restoration of river channels.</li> </ol>	
(I) Strong partnerships pave the way for the creation of great places.	<ol> <li>Continue to work with other agencies to align our resources, evidence and knowledge in a way that best supports the delivery of great places for Scotland.</li> <li>Engage with existing and emerging SEPA initiatives to ensure that opportunities for the housing sector are identified and delivered. This includes, but is not limited to, the internal review of our planning service, sustainable growth agreements, innovation partnerships, research and place based projects.</li> </ol>	

# **Consultation question 9**

Do you think the potential actions listed in the table will help us achieve the plans outcomes?

## 6. Outcomes

If we achieve the vision we have set out in this plan, we anticipate that we will help to deliver positive outcomes that protect and improve the environment in ways that also protect communities and enable businesses to operate effectively and successfully in their markets.

Scottish Government has set four key outcomes<sup>17</sup> for the sector which are simple, understood and widely accepted by all. These are a **well-functioning housing system**, **high quality sustainable homes**, **homes that meet people's needs**, **and sustainable communities**. They were developed to enable the Scottish Government and all partners involved in the housing sector to adopt a shared understanding of what needs to be achieved for people, homes and communities across Scotland.

In developing a draft sector plan, we propose aligning our outcomes to ensure SEPA's work contributes to the attainment of the national outcomes and vision. To make the outcomes more relevant to our sector plan, we have grouped two of them together and extended the scope of another to include places. For each outcome we have identified a set of sub-outcomes that set the necessary pre-conditions that our sector plan will to work to achieve. These are designed to deliver our vision for the sector.

#### **Consultation question 10**

Do you agree with this approach and the outcomes identified?

#### **Consultation question 11**

Do you have any other comments or thoughts on the draft plan?

<sup>&</sup>lt;sup>17</sup> Scottish Government: Housing and Regeneration Outcomes Framework

Strong partnerships pave the way for the creation of great places.

Strong environmental performance of operators and supply chain

Sustainable places and communities Homes are climate change ready and adaptable to changing household needs

People have access to a high quality, safe, climate change ready natural environment

One Planet Prosperity
Housing Sector

A wellfunctioning housing system that meets peoples needs

Space is made for the water environment Low and zero carbon enabling infrastructure is designed-in from the start and provided early on

Maximum value is derived from materials across the supply chain and throughout the life cycle of homes

High quality, sustainable homes

Water is used efficiently and returned to the environment in a clean state

Energy demand is minimised and supplied by a zero/low carbon source

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