

# 2024 MANIFESTO



**David Frise**  
Chief Executive

# Introduction

I am delighted to be launching the Building Engineering Services Association manifesto which contains a range of policy proposals that we believe the next UK Government should deliver following the General Election on 4 July.

Our industry is an important part of the construction and maintenance sector. Members design, install and service heating, cooling and refrigeration systems in our homes, offices, factories, public buildings and places that we rely on to get from A to B. In its simplest form, building services turn our homes and workplaces from shells into functional buildings.

The efficient and safe operation of our buildings is becoming increasingly important. More of us want systems that use energy efficiently, run on renewable sources and provide clean air at the right temperature. Our industry is consequently becoming a proportionately more valuable part of the Built Environment.

That bodes well for the success of the industry and our contribution to UK plc and society at large. But there are some big structural challenges which we need to work together on to put in place durable solutions.

Late payment is a challenge throughout the economy, but in the construction sector, it is a scourge. The present Government has brought forward some good initiatives. But this scourge needs sorting if flatlining sector productivity levels are to rise to allow all parts of the supply chain to invest, take on new talent and grow. That supply chain companies are frequently withheld a greater margin of monies than they take in profit, as an insurance against defects on projects, and which are often never returned them by the main contractor, is a scandal.

To end the pernicious practice of retentions, BESA will work with the construction industry to voluntarily phase out retentions by the end of 2025 and reach consensus on a workable alternative that will serve as a form of protection against project defects. However, if industry cannot work collaboratively on this issue, Government must be prepared to intervene with a legislative option.

We pay credit to the current Government for raising the standards and toughening assurance processes over the construction and maintenance of large housing blocks and other high risk buildings. We need to work much harder to ensure that the whole supply chain really gets what the Building Safety Act means. We will continue to work with our members to raise awareness of the new building safety requirements and help them adapt to new expectations. However, the regime will achieve nothing if the regulator is not empowered to enforce the rules. The Building Safety Regulator must have the resources to hold the industry to account and it needs to be prepared to get tough with rule breaking.

The Grenfell Inquiry will publish its final report and recommendations later this year. While Government will, necessarily, work with the Building Safety Regulator to implement recommendations to improve the new regime, regulatory change alone is not sufficient. The industry must lead the change to transition away from entrenched cultural norms, so they align with the new safety regime. We must work together to improve standards and retain the trust of consumers, so they have confidence in the work carried out. As we adapt, the new ways of doing things will become routine and embedded in our ways of working. BESA is committed to investing in educating our members and the industry to ensure we continue to set and meet high standards of competence and compliance.

With improved order books and clear, well-understood operating standards, the whole construction sector has the ability and incentive to increase its investment in skills. To go alongside this, the college system must be adequately funded; and in return, needs to provide more flexibility and a higher calibre training environment for the next generation. If Government fails to invest in FE provision for building services engineering trades, then the labour force in the sector will experience a deterioration in both numbers and quality, making it each harder to address the skills gap.

As an industry, we must invest in our existing, skilled workforce and remain committed to providing further training and upskilling opportunities to complement their wealth of insight and knowledge. We must also attract new talent and grow our workforce by supporting skills training and apprenticeship opportunities throughout the supply chain.

Indeed, in the next five years, the UK needs to make significant progress on decarbonisation, particularly in our building stock. The UK has cut its emissions by nearly half over the last quarter century, but this has largely centred on our electricity supply and aided by a loss of manufacturing.

We need clear consumer incentives, supported by public funding. This is required in an economic environment where many people's disposable income is limited, alongside regulations that do not

chop and change. The UK Government has set an ambitious target to reach 600,000 heat pump installations a year by 2028 but many are not convinced that sufficient progress has been made to date and the data bears this out. Heat pump installations in 2023 totalled less than 40,000; this is 15 times lower than that 600,000 target.<sup>1</sup> We must redouble our efforts to promote more energy efficient heating solutions. This will encourage private investment in new technologies, which then helps to limit what the taxpayer must fund towards the Net Zero transition. The nation's decarbonisation efforts can then start to pay an even bigger economic dividend. As installers of new technologies, we have a significant role to play on the UK's Net Zero journey. This includes developing and updating qualifications for new and emerging technologies and helping consumers choose the right heating solutions for their homes.

Last, I really want to draw your attention to what our members, and others like Chris Whitty and leading WHO advocate for Health and Air Quality Rosamund Adoo-Kissi-Debrah CBE, believe to be a looming health threat: poor indoor air quality. Buildings that are made air tight for fire safety and energy conservation reasons and designed to meet energy efficiency standards, but which lack an understanding of ventilation flows are all too commonplace. Harmful toxins circulating because of cooking, candles, cleaning products and more are simply recycled.

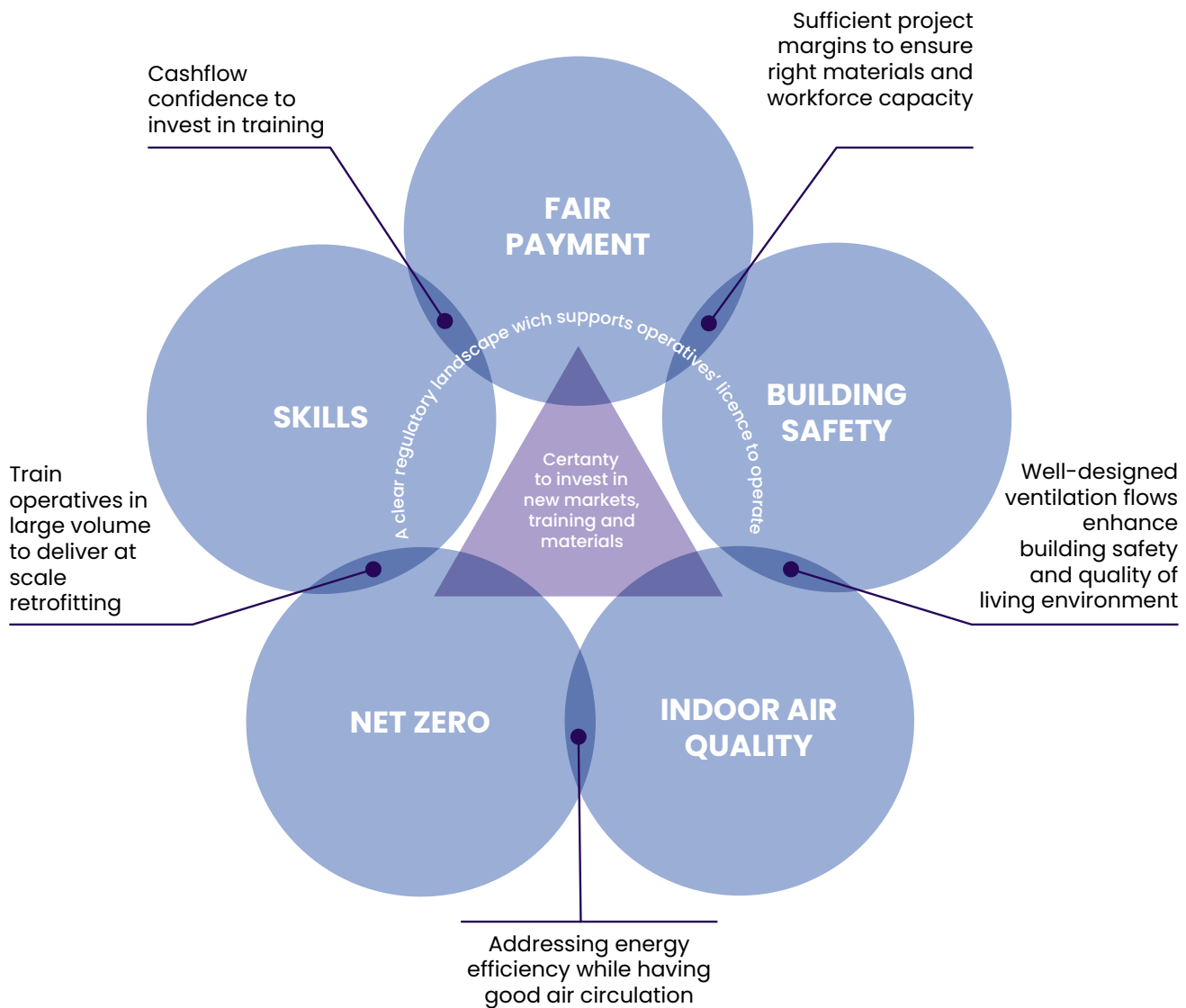
Fair payment, building safety skills, Net Zero and indoor air quality aren't five distinct challenges. They all interlink. Industry and policymakers need to think of them in that way. Positive change in one area can unlock progress elsewhere. BESA recognises that the industry has a responsibility to help respond to these challenges and is committed to working with Government to drive the positive change our society and economy is calling for and needs.

As a voice of contractors at the coalface of the big industry challenges – Net Zero, building safety and future proofing our industry's skilled workforce – we will lead from the front to help deliver the change necessary, but Government must play its part too.

With public finances likely to continue to be stretched, we recognise that Government has fewer funding levers at its disposal. However, industry is desperately calling out for certainty from Government so it can make investment decisions needed to drive economic growth and create jobs. U-turning on policies that industry has helped inform, such as the decision to defer the Clean Heat Market Mechanism implementation, will put our Net Zero future at risk. The nascent market must be empowered to thrive. If Government can provide industry with certainty on policy direction and provide incentives to consumers, the industry will ramp up its production of heat pumps, lowering prices and reducing the need for Government support.

Underpinning the necessary response to these five challenges is the need for the General Election victor to develop long-term strategic plans underneath which policies are rolled out with clear timeframes

and rules, to which both Government and industry abides. We must all be flexible to shifting events and sentiment. And these have been plentiful in the last five years. But we risk damaging faith in the ability of Government and industry to tackle this country's long-term challenges. And this makes it more likely that we will fail. So, in the next five years, we must together mean what we say and do what we mean.



1. <https://mcsfoundation.org.uk/news/record-number-of-heat-pumps-installed-in-uk-homes-in-2023/>

# Did you know?

The average UK construction company's margin is below 4%, lower than the average retention withheld by main contractors

Understanding their obligations under the Building Safety Act is the biggest challenge for BESA members

We have an ageing workforce with  
**50%**  
of the industry aged over 50

**80%**  
of a typical adult day is spent indoors

Around  
**20%**  
of the UK's greenhouse gas emissions comes from running and heating buildings

# Our Recommendations

- 1.** We support the phase out of retentions by the end of 2025, with the establishment of a ring-fenced fund for money held as an insurance against defects. If this is not achieved, we call on the Government to legislate on the issue and finally bringing an end to this unjust practice in 2026.
- 2.** The Construction Playbook, Value Toolkit and Constructing the Gold Standard initiatives set out best practice for construction procurement and should be used and strongly promoted across the public sector.
- 3.** Public sector clients should check to ensure they are acting in accordance with the Public Contract Regulations 30-day payment terms and that this flows down the supply chain.
- 4.** Payment reporting requirements should make it more difficult for companies to mask their poor payment record by the paying of high volumes of low-cost transactions and should include monies held in retention.
- 5.** The Small Business Commissioner needs to play a stronger role in holding Government and the wider public sector to account on its payment practices and take on greater responsibility for overseeing the effectiveness and enforcement of payment linked legislation and initiatives.
- 6.** We urge the next Government to rectify the disparity in recognition of individual and company competences across Great Britain and Northern Ireland and build it into the review of the EU-UK Trade and Cooperation Agreement (TCA), scheduled for 2025.
- 7.** The Government and Building Safety Regulator must maintain and sustain momentum of the new building safety regime to build on the positive reforms to date.
- 8.** Government and industry must work together to educate contractors of their new obligations to avoid a fragmented and inconsistent implementation of the new building safety regime.
- 9.** We must move beyond the focus on high-risk buildings to all buildings to avoid a two-track system and heighten the emphasis on organisational and individual competence so people can have confidence in works that have been executed.
- 10.** Government must provide adequate funding to the Building Safety Regulator so it can properly enforce the rules.
- 11.** In a time of global instability and increased scrutiny of supply chains, Government must respond to independent review of the Construction Product Testing Regime so contractors and installers have clarity and confidence in a system that sets minimum standards and builds in flexibility for substitutions where appropriate.
- 12.** Skills funding should focus on career pathways and the opportunities for a learner after he or she has completed that qualification or piece of supported learning to embed continuous improvement in all areas.

- 13.** The next Government should aim to focus on the success rate of FE college learners landing in the relevant industry they have studied for.
- 14.** FE colleges must be given the funding and freedom to be flexible so they can deliver the training needed, including actively promoting and enabling the employment of lecturers who can split their time between their teaching and working as a practitioner in industry. We support greater flexibility and lower barriers so more people train and stick with it, particularly where they are juggling busy lives.
- 15.** The next Government should make available match-funded personal skills budgets for people aged over 50 to use to spend on training.
- 16.** Government must ensure that when future training grants are awarded, there is a focus on delivering a sustainable outcome for the whole of the training landscape.
- 17.** With offsite manufacturing likely grow, we need to ensure that the competency standards that are required of installers also extend to those who are involved in the manufacturing of buildings.
- 18.** Government must provide continued financial assistance to households to incentivise and enable them to replace their fossil fuel boilers with heat pumps.
- 19.** To remove further barriers to change, the Government should extend the VAT relief for energy savings materials to Mechanical Ventilation Heat Recovery (MVHR) systems.
- 20.** Government must avoid further delaying the implementation of the Clean Heat Market Mechanism and confirm an April 2025 start date.
- 21.** Government must relax the requirement that air source heat pumps are installed at least 1 metre from the boundary of a nearby property, except when required.
- 22.** As part of the current review of F-Gas regulations, Government should work with industry on phasing down the use of F-Gas and resist calls for a phase out and establish an operative register of competent and accredited technicians. The review should also widen the scope of the regulations so they cover similar gases and hydrocarbons like propane, not just F-Gas.
- 23.** Government must make indoor air pollution a Ministerial responsibility and amend the Environment Act or introduce landmark indoor air quality legislation to ensure there is a robust legal framework that mandates real-time monitoring of IAQ in public buildings and a requirement for the Minister responsible to provide an update in Parliament.
- 24.** Establish a pilot programme to fund IAQ audits for state schools and NHS hospitals. Offer grants to implement recommended mitigations to bring the buildings up to acceptable standards.





# Contents

- Introduction ..... 2
- Our Recommendations ..... 7
- Creating a business environment in which our members thrive ..... 10
- Ensuring building safety drives the conversation ..... 12
- Future proofing the industry ..... 14
- Making Net Zero a reality ..... 16
- Healthy buildings ..... 18

# Creating a business environment in which our members thrive

Our members continuously tell us that one of the greatest challenges to their operations is late payment. This will be common not across our more than 1,000 members, but across construction's nearly 1,000,000 registered firms.<sup>2</sup> It is an issue will affect all areas of work, from standards and quality, to skills, higher pay and investment to service new markets. It also has a damaging impact on the mental health of those who lead small businesses.

## Finally acting to put right the scandal of retentions

Central to that is the related issue of cash retentions. Cash retentions refer to a common industry practice where a main client or large contractor will withhold payment of a sum of money to a sub-contractor, until after the construction project has been completed. In theory, the funds held back (typically 4% of the project's value) are meant to ensure that works are completed to a satisfactory standard, while also providing insurance against defects and any other issues. Between 3.5 – 4% of revenues on a project is around the margin that many construction businesses operate on.

However, in reality, this practice is widely abused, with large contractors frequently providing late payments to sub-contractors or failing to pay them at all. The average small business contractor is owed £35,000<sup>3</sup> in retentions at any one time (with over half owed more than £100,000) and the Government estimates that £5bn<sup>4</sup> is held in retentions. Payments are often lost through upstream insolvency. Further making matters worse is the fact that impacted businesses typically are unable to pursue legal action to recover this money – meaning that they have limited recourse to get back what they are rightfully owed.

**We support the phase out of retentions by the end of 2025.** The industry also needs to work with Government to establish an alternative independent deposit scheme to provide security against defects. However, **if this is not achieved, we call on the Government to legislate on the issue and finally bring an end to this unjust practice in 2026.**

## Making existing payment legislation and initiatives work

There are number of helpful tools and pieces of legislation regarding payment and the delivery of construction work which are not currently being used or could be built upon to achieve better outcomes. Fully implementing what has been created is a key part of Government and industry improving the way it works and delivers together.

- [Construction Playbook](#), [Value Toolkit](#) and [Constructing the Gold Standard](#) initiatives set out best practice for construction procurement. All three were commissioned by Government or in partnership with industry and **should be strongly promoted across the public sector.**
- [Public Contract Regulations](#): The PCR require the public sector to pay within 30 days and for this to be reciprocated down the supply chain. This is a good piece of legislation, but **public sector clients should check to ensure the within PCR 30 day payment terms are flowing down as the contract progresses.**
- [Payment Reporting Requirement](#): This requires large companies to report on how long they take to pay their suppliers' invoices and this is made available to support the due diligence of prospective suppliers. The Government recently consulted on improving its operation. Money held in retention by construction companies will also now be asked. **It should be made more difficult for companies to mask their payment record by the paying of high volumes of low-cost transactions.**
- [Small Business Commissioner](#): The Government recently conducted a review and agreed to retain the position but to reform how it works. **The SBC needs to play a stronger role in holding Government and the wider public sector to account on its practices; and it needs to take on greater responsibility for overseeing the effectiveness of payment linked legislation and initiatives. It should take on a stronger enforcement role**, with bigger penalties, so that it is better known in the economy, has real teeth and then impacts company decision-making (like the CMA on competition matters).

## Breaking down barriers which distort people's ability to work across the UK

Since the UK's departure from the European Union, individual and company certifications gained in Great Britain have not been recognised in Northern Ireland. This creates artificial barriers and undermines competition. We urge the next Government to rectify this situation and build it into the review of the EU-UK Trade and Cooperation Agreement (TCA), scheduled for 2025.

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2. <https://www.ibisworld.com/united-kingdom/market-research-reports/construction-contractors-industry/>; <https://www.statista.com/statistics/677151/uk-construction-businesses-by-size/>

3. BESA, 2018

4. Pye Tait, 2017

# Ensuring building safety drives the conversation

Building Safety is not just about adhering to the rules. It is about ensuring the industry creates a positive culture to tackle poor behaviour and conduct, acts accordingly and maintains an emphasis on safety.

## Industry at the forefront of change

Our members are at its coalface as contractors responsible for the systems that are critical to a building's operation. We believe every party involved in the design, installation, operation or maintenance of a building must take responsibility for their input to ensure accountability and high standards at all times. As the leading UK trade body for contractors in building engineering services, BESA plays a key role in ensuring the industry meets competence requirements through SKILLcard. Alongside this, we are also working to ensure our members understand what the requirements on them are. We have established a Building Safety Act advisory group and will shortly be launching our 'Play it Safe' awareness campaign. This campaign will be focused on bridging the gap between the rhetoric and the noise around the regulatory framework in the industry and what contractors can and must do to improve culture and follow the rules.

We supported the passage of the Building Safety Act and the establishment of the Building Safety Regulator; however, we cannot rest on our laurels.

## Building Safety is everybody's responsibility

Government must work with the regulator and industry to realise the ambitions of Dame Judith Hackitt's landmark 'Building a Safer Future' report and give people confidence that our buildings are safe to live and work in.

- In the next Parliament, **we must maintain and sustain momentum of the new building safety regime** and build on the positive reforms to date. A failure to ensure transparency and clear rules and **a failure to educate contractors of their new obligations will result in the fragmented and inconsistent implementation** of necessary change across the industry.
- It is time to **move beyond the focus on high-risk buildings to all buildings to avoid a two-track system** and **heighten the emphasis on organisational and individual competence** so people can have confidence in works that have been executed. To realise its building

safety ambitions, Government must also **provide adequate funding to the Building Safety Regulator so it can properly enforce the rules.**

- Complementing this, it is essential the Government finally responds to Paul Morrell OBE and Anneliese Day KC's independent review of the Construction Product Testing Regime. In a time of global instability and increased scrutiny of supply chains, contractors and **installers must have clarity and confidence in a system that sets minimum standards and builds in flexibility for substitutions where appropriate.**

The tragedy at Grenfell Tower in 2017 was, rightly, a catalyst for cross-party support on improving building safety. Sir Martin Moore-Bick will publish the final Grenfell Inquiry report in September 2024, including his review of building regulations and enforcement. Building control and enforcement of a strong regulatory regime is critical for a holistic approach to building safety. As an industry, we must stand ready to respond to Sir Martin's recommendations in his final report. To complement this, Government and the Building Safety Regulator must work in partnership with industry to implement the recommendations and continue to deliver the change needed.

# Future proofing the industry

In the last 14 years, the number of people aged 19 or over in education and training, including apprenticeships, has fallen by 46%.<sup>5</sup> But perhaps even more startling is the realisation that of those people taking an adult FE qualification, not including an apprenticeship, only 8.5% of those studying a qualification to enter our industry actually end up getting a job in our industry.<sup>6</sup> There is no reason to suggest that this figure is abnormally low for building services engineers.

## Measure and fund learning that leads to tangible outcomes

This means a lot of wasted public money and time. **A focus on pathways** (where can the learner go after he or she has completed that qualification or piece of supported learning), **not simply putting on courses** on is required.

**The next Government should also set a target to double the numbers of people who start training and get a job in the sector of study in underperforming and strategically important economic sub-sectors.** This can be delivered through a greater focus on job preparedness and broader pastoral support, which is of disproportionate importance to those SMEs who provide training opportunities who do not always have time to invest. Pre-apprenticeships have been a success and support readiness for an apprenticeship. Conversely, courses like Skills Bootcamps need to lead to somewhere, but as currently purposed, appear to be a waste of money. When awarding future grants, the Government must ensure there is a focus on a delivering a sustainable outcome across the whole of the training landscape.

Job preparedness and pastoral support will likely disproportionately assist those students from poorer backgrounds, and particularly those whose lives are more complex.

## FE firing on all cylinders

With funding per 16-18 college student having fallen by nearly a quarter from a high at around 2012,<sup>7</sup> the National Audit Office has also reported how the college sector has gone from a surplus to an operating deficit in the last 10 years.<sup>8</sup> Lecturers are not well-paid and so most often do it in the last 10 years of their working career. This can mean that teaching does not always keep up with evolving industries like ours. Colleges often lack the latest technology and equipment, which can exacerbate the situation. While larger firms can take training in-house, SMEs cannot do this. And in any case, it is simply not

an at-scale answer for training the sheer number of qualified installers that are required for the country to decarbonise.

**FE public funding must rise. But so must colleges be flexible. Colleges should actively promote and enable the employment of lecturers who can split their time between their teaching and working as a practitioner in industry.** It will support more training by people working in the industry and better remunerated lecturers. We believe that this will offer better results. **The hours of study and course flexibility need to improve to lower barriers for more people to train and stick with it, particularly where they are juggling busy lives.** Where the existing FE network is not able to provide the required workshop space, private training providers should be able to seek public funding to help meet demand.

## Recognition of the value and reliance on our ageing workforce

50% of the industry's workforce is over 50. We aren't going to turn this ageing workforce around quickly. We need to better utilise older workers to remain productive in the labour market, but on their terms. The next Government should **make available match-funded personal skills budgets for people aged over 50 to use to spend on training.**

Last, with offsite manufacturing likely to grow, we need to ensure that **the competency standards that are required of installers also extend to those who are involved in the manufacturing of buildings.**

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5. Students in FE in England in 2015/16 was 3,281,671. In 2020/21, it was 2,480,568. Looking at 19+ education and training, including apprenticeships, in 2022/23, this was 1,716,600 people; that is a decline from 2015/16 where it was 2,324,700 and 3,163,200 in 2010/11. Taken from Education and training statistics for the UK, Department for Education, November 2022; and Further education and skills national statistics, Department for Education, July 2023

6. Average of Electrical Contractors Association (10%) and Chartered Institute of Plumbing Engineers statistics (7%)

7. House of Commons Library, Further education funding in England, June 2023.

8. National Audit Office, Financial sustainability of colleges in England, December 2020.

# Making Net Zero a reality

Decarbonising home heating remains one of the biggest challenges the UK faces on its journey to Net Zero. The UK has some of the oldest and draughtiest housing stock in Europe and heating buildings accounted for around 20% of the country's emissions in 2022.<sup>9</sup> While the UK has made significant strides on this journey, having become the first major country to halve its emissions,<sup>10</sup> there is still much more work to be done if we are to achieve our climate goals over the coming decades.

The UK Government has set an ambitious target to reach 600,000 heat pump installations a year by 2028. In its final report before the Parliament was dissolved, the Public Accounts Committee remain unconvinced that progress to date matches the ambition that is needed.<sup>11</sup> The data bears this out, with heat pump installations in 2023 15 times lower than that 600,000 target.<sup>12</sup> To realise our ambitions – and legally mandated targets – the next Government must commit to improving household energy efficiency and boosting the uptake of low carbon heating technologies such as heat pumps.

We know that household disposable incomes are stretched, which makes energy efficiency investments tough to afford. To rise to the challenge, we are calling on the next Government to **provide continued financial assistance to households to incentivise and enable them to replace their fossil fuel boilers with heat pumps.** Existing measures – such as the Boiler Scrappage Scheme – have already helped thousands of households cover some of the costs of installing heat pumps but clearly more is required. **The next Government should offer greater financial support for heat pumps, including energy efficiency measures that may be required to make a heat pump effective in different dwellings.** As with solar PV, the subsidy levels could decline as increased economies of scale reduce upfront costs. To complement this, and to remove further barriers to change, **the Government should extend the VAT relief for energy savings materials to Mechanical Ventilation Heat Recovery (MVHR) systems** to address poor ventilation in existing housing stock. MVHR systems can be retrofitted into most existing homes and will significantly improve energy efficiency, reducing emissions and reduce energy waste.

We would also strongly urge the next Government to avoid further delaying the implementation of the Clean Heat Market Mechanism. This proposed scheme imposes an obligation on boiler manufacturers to meet certain targets on their sales of heat pumps relative to their sales of fossil fuel boilers or face financial penalties.

This scheme was originally intended to come into effect in April 2024; however, the introduction of the measure has since been delayed by a year. **It is essential that the next Government fully implements the**



**Clean Heat Market Mechanism from April 2025** in as they will drive greater industry investment in the heat pump market and lead to lower unit and installation costs as economies of scale emerge. This will in turn further reduce the current barriers to increased heat pump uptake and make it more affordable for households to adopt these low carbon heating alternatives.

**The next Government must relax the requirement that air source heat pumps are installed at least 1 metre from the boundary of a nearby property**, except when required for safety concerns. Earlier this year, the Department for Levelling Up, Housing and Communities consulted on changes to permitted development rights, including whether to remove the limitation that air source heat pumps must be installed 1m from the boundary of a property.<sup>13</sup> The Government is still considering its response to this consultation; however, we would encourage the Government to remove this barrier to heat pump uptake in England.

Fluorinated gas (F-Gas), or alternatives such as propane, are essential for refrigeration, cooling and heat pump systems. The industry recognises that F-Gas has higher greenhouse gas emissions than its alternatives and, where possible, seeks to use these more environmentally friendly alternatives. However, because the alternatives are more flammable than F-Gas, they are not practical in every circumstance, for example, in a hospital, in a military base, or airside at an airport. Transport for London uses air conditioning units for spot cooling electrical systems in their tunnel network but are obviously unable to use flammable refrigerants due to safety concerns. Additionally, for ultra-low refrigeration, as required for some vaccinations, F-Gas is an essential refrigerant for which there is no current alternative. This is why, **as part of the current review of F-Gas regulations, we call on the Government to phase down the use of F-Gas**, and resist calls for a phase out. As part of this review, we would encourage the Department for Environment, Food and Rural Affairs to **broaden the scope of the regulations, so they cover similar gases and hydrocarbons** like propane, not just F-Gas. Alongside this, **there must be an operative register of accredited F-Gas** installers so consumers can have confidence that work will be done to a high standard.

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9. <https://www.gov.uk/government/statistics/final-uk-greenhouse-gas-emissions-national-statistics-1990-to-2022>

10. <https://www.gov.uk/government/news/uk-first-major-economy-to-halve-emissions#:~:text=New%20official%20statistics%20confirm%20UK,50%25%20between%201990%20and%202022.&text=The%20UK%20is%20the%20first,official%20statistics%20released%20today%20confirm.>

11. <https://committees.parliament.uk/publications/45084/documents/223456/default/>

12. <https://mcsfoundation.org.uk/news/record-number-of-heat-pumps-installed-in-uk-homes-in-2023/>

13. <https://www.gov.uk/government/consultations/changes-to-various-permitted-development-rights-consultation/changes-to-various-permitted-development-rights-consultation#changes-to-the-permitted-development-right-for-air-source-heat-pumps-within-the-curtilage-of-domestic-buildings>

# Healthy buildings

More than 80% of a typical adult day is spent indoors.<sup>14</sup> This means the quality of the air we breathe in our homes, workplaces and public buildings is critically important. Poor ventilation and indoor air quality (IAQ) is a looming health issue and a failure to tackle it has a far greater impact on us all than outdoor air quality. Much of the focus of the air quality debate to date has been about external pollutants like emissions from transport emissions and industrial processing; however, IAQ is a consequence of more than external pollutants. It is also attributed to common household items including aerosols, cooking fuels and cleaning products. In the last Parliament, the Environment Bill was a missed opportunity to recognise and rise to this challenge; we call on the next Government to take steps to bring the air inside up to an acceptable standard. BESA has established an IAQ Action Group and works closely with leading WHO advocate for Health and Air Quality Rosamund Adoo-Kissi-Debrah CBE and others, including technology manufacturers, to increase awareness of IAQ. This has included publishing technical guidance for members and industry such as our 'A Beginner's Guide to Indoor Air Quality' and 'A Practical Guide to Mould' and being a founding member of World Ventil8 Day.

Southampton University Professor Stephen Holgate, a world authority on asthma, revealed that IAQ can be 13 times worse than outside air.<sup>15</sup> The UK Health Security Agency estimates the annual death toll in the UK from air pollution at between 24,000 and 36,000 with associated healthcare costs between £8bn and £20bn. A report<sup>16</sup> from the Royal College of Paediatrics and Child Health shows the causal links between IAQ and asthma and other allergic conditions such as conjunctivitis, dermatitis, and eczema. Thankfully, IAQ can be addressed and controlled through improved building systems and promoting behavioural change.

In the next Parliament, we are calling on the next Government to:

1. **Make indoor air pollution a Ministerial responsibility** within the Department for Environment, Food and Rural Affairs with a remit to work across Whitehall and in partnership with the Department for Levelling Up, Housing and Communities and the Department of Health and Social Care.
2. Commit to amending the Environment Act or introducing landmark indoor air quality legislation **to ensure there is a robust legal framework that mandates real-time monitoring of IAQ in public buildings** and a requirement on the Minister responsible to provide an update in Parliament.

3. **Establish a pilot programme to fund IAQ audits for state schools and NHS hospitals. Offer grants to implement recommended mitigations** to bring the buildings up to acceptable standards.
4. Broaden support to households to support energy efficiency improvements that also aid good ventilation in homes and non-domestic buildings. **Mechanical Ventilation Heat Recovery systems are a proven technology and should benefit from the VAT exemption for energy savings materials.**

During the last Parliament, the Environmental Audit Committee conducted an inquiry into the adequacy of current measures to promote indoor and outdoor air quality and assess whether air quality targets are sufficient for protecting public health and the environment. It is our hope that the newly re-constituted Environmental Audit Committee in the next Parliament pick up the mantle of its predecessor committee and publish a report and recommendations on how to improve IAQ.

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14. Chief Medical Officer's Annual Report 2022 on Air pollution', December 2022

15. <https://www.southampton.ac.uk/news/2016/04/health-impact-of-air-pollution.page>

16. 'The Inside Story: Health effects of indoor air quality on children and young people' – a joint report by the Royal College of Paediatrics and Child Health (RCPCH) and the Royal College of Physicians (RCP).

