

Rigid energy rules are way out of date

The suggestion in other reports that the commercial property industry is trying to slide out of its responsibilities to produce sustainable buildings that emit the minimum of carbon could not be further from the truth (Leader, 25 August, p18).

Yes, we are opposed to the "Merton rule", which requires new buildings to have a certain percentage – originally 10% but now routinely increased to 20% – of its energy needs met through on-site renewables such as wind turbines or photovoltaic panels.

This rule has undoubtedly played its part in raising awareness of green issues and getting councils and developers to focus on buildings' energy consumption. The local authority that introduced it four years ago should be applauded for its boldness and imagination.

Our awareness of green matters and how best to reduce carbon emissions has advanced considerably since then.

We do not believe the best holistic solutions will be achieved by straitjacketing developers into meeting a fixed quota of on-site renewables that will, in some areas, be unworkable. It is difficult to imagine wind turbines or photovoltaic panels having much effect in a city where the wind is limited and sunlight blocked by other buildings.

By all means, place carbon performance targets on new buildings – but leave the owner/developer to work out the most cost and environmentally effective way of meeting them.

The first step should always be to ensure that the basic energy needs of a building and its occupiers are brought down to the absolute minimum. The British Property Federation, working with the Carbon Trust and a group of landlords and occupiers, is producing a methodology to do just that.

Once energy needs have been whittled down, the developer should look for the most carbon-efficient way of meeting what is left, using a range of measures. These might include on-site renewables, but they are likely also to include district green

energy solutions, such as combined heat and power plants, and perhaps ultimately using green energy from a wind farm or other renewable source some miles away.

We recommended this line to the government when it consulted on its supplement to planning policy statement on climate change at the beginning of the year, and on which we lobbied strenuously at the examination in public of the mayor's London Plan supplement in the summer.

We very much hope that future government policy will reflect this more flexible yet challenging approach.

Giving into the misguided but strident demands to keep a rigid Merton rule will simply lead to much effort and resource being spent on measures that will have, at best, only a limited impact on our ability to combat climate change positively.

Liz Peace, British Property Federation, 7th Floor, 1 Warwick Row, SW1E 5ER

Better late than never for leaseholders

Your report "New service charge crackdown 'misses the point'" (4 August, p24) certainly does miss the point.

SHARED EQUITY FOR HIGH ASPIRATIONS

The government has finally acknowledged that the crisis in affordable housing will have disastrous repercussions for the economy.

The green paper is a start. I believe the solution also lies with certain major financial institutions and the public sector that can afford to think long term because they do not answer to private shareholders.

Renting homes on a long-term basis could be the sensible option, especially if occupants can then acquire an equity stake in the property as part of their pension.

Reforms to help young families, including an equity scheme for those earning less than £60,000 a year, are a step in the right direction – but why are we only offering them to people if they meet certain low income criteria? This only

"By all means, place carbon targets on new buildings – but leave the owner/developer to work out how to meet them"

It was not because of pressure from the RICS and the Conservative front bench that the government published the consultation paper on accounting for leaseholders' funds.

It was the result of sections 152 and 156 of the Commonhold and Leasehold Reform Act 2002, which received royal assent five years ago.

If there is to be any criticism of these latest measures to protect the interests of residential long leaseholders then it should be that it has taken more than five years to introduce them.

These are worthwhile measures that give lessees added teeth in so far as any landlord failing to comply with them will be unable to collect service charges. And, once the service charges summaries are

available, lessees will be better able to consider reasonableness and challenge them at an LVT.

It is pointless saying regulation of the sector is the only answer. Research we commissioned last year showed the government is not minded, for the foreseeable future, to regulate.

So, let us take a positive stance, support these new measures and ensure all lessees are made aware of their new rights.

David Hewett, executive secretary, ARMA, www.arma.org.uk

OSCAR's data use is statistically unsound

In response to Nigel Wheeler's letter regarding JLL's OSCAR reports (7 July, p68), credit should be given to the firms that provide the data for OSCAR, Loughborough and OPD reports. Credit should also be given to OSCAR for publishing its summary for so many years.

The suggestion that credit should be given to OSCAR because it has a growing list of blue-chip contributors is doing those contributors a disservice if it continues to misrepresent the data it receives in its reports.

When is JLL going to advise on actual not adjusted costs? As costs that tenants actually have to pay are excluded, OSCAR cannot be used to benchmark service charges. With next year's changes, actual service charges will still be under-reported.

When is JLL going to realise that costs are rarely symmetrically distributed, and that concentrating on averages and standard deviations is statistically unwise?

Office OSCAR only contains data on some 4.2% of multilet offices in the UK. With such a small database, it is statistically unsound to extrapolate the reasons for higher or lower costs between regions, building sizes and types etc. With annual changes in exclusions from the data and a 58% property churn, it is also statistically unsound for OSCAR to concentrate on trends across time.

And when is OSCAR going to start reporting against the best practice code that JLL helped develop?

Dr John Calvert, Loughborough University Business School



further reinforces any prejudice about shared equity schemes.

We should have a wider understanding of affordability – not polarise sectors, which leads to a lucky few being able to buy at increasingly high prices while the vast majority of people cannot.

Shared equity should be offered to everyone to create a form of living fit for the high aspirations of the 21st century.
Mark Ryder, chief executive, ISIS Waterside Regeneration, 1 Sheldon Square, Paddington Central, W2 6TT