



LEP – Sub Committee

Growth Deal Management Board

Private and Confidential: No

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Building Research Establishment Environmental Assessment Methodology (BREEAM)

Report Authors:

Joanne Ainsworth, Programme Office, Lancashire County Council

Joanne.ainsworth@lancashire.gov.uk

Alison Moore, Programme Office, Lancashire County Council,

Growthdeal@lancashire.gov.uk

Executive Summary

It has become apparent that, within the suite of Growth Deal projects, there is disparity in relation to BREEAM requirements placed upon individual schemes. The contractual obligation placed upon some schemes to achieve BREEAM accreditation incurs considerable time pressures and also attracts significant financial costs (upto £500,000 per project).

There is a need to address the current position and associated anomalies in order to achieve a standardised approach across Growth Deal projects. The desired standardisation should ensure that all projects build to an agreed standard, gain independent sign-off of that construction standard at reasonable cost – but not to insist on very costly, but unnecessary, accreditation

Recommendation

The Growth Deal Management Board is invited to:

1. Receive, consider and comment upon the content of this report
2. Endorse the proposed "next steps" outlined within the report
3. Confirm that, going forward, Growth Fund Agreements and Memorandums of Understanding for all Growth Deal projects (including skills projects) will not insist on BREEAM accreditation



Background and Advice

The Growth Deal programme has evolved with a range of projects being 'granted funding' from various boards using different criteria. This has led to a range of build qualities being required within the approvals process, and subsequently reflected within Growth Fund Agreements.

Skills Capital bids have insisted on BREEAM excellent accreditation for new build and BREEAM very good accreditation for refurbishments, whilst competitive growth deal bids do not insist on any accreditation above building regulations.

The current position is that there is a total disparity across Growth Deal projects in terms of BREEAM requirements, which needs to be addressed in order to achieve a standardised, equitable, approach.

Experience

During project monitoring sessions with individual projects it has been reported that whilst the cost of accreditation is between £300k – £500k per project the accreditation doesn't add anything to the project in terms of achieving any outcomes.

As a result the Value for Money of insisting on accreditation has been questioned.

Feedback has also challenged the equity of placing requirements on some, but not all, projects to achieve BREEAM accreditation.

The requirement to gain accreditation and the associated cost - hence the need to build to the agreed standard, gain independent sign-off of that construction standard at reasonable cost, but not to require accreditation at up to £500k

Initial Research

A preliminary meeting was convened with LCC Building and Design Team in order to understand more about BREEAM and to determine the approach to BREEAM taken by Lancashire County Council (LCC).

What emerged is that:

- BREEAM standards are a range of environmental benchmarks that include items that are already covered by building regulations, Growth Fund Agreement metric requirements and social value requirements, (considerate contractor schemes etc.)
- LCC Building and Design Team do not aim for BREEAM accreditation within a build, but build to the spirit of BREEAM where appropriate.



It's recognised that the expert opinion from LCC needs to be supplemented, and not wholly relied on. On that basis an approach will be made to Jim Carter (LEP Director) and Keppie Massey (the firm of surveyors that are used for City Deal) in order to gain impartial and independent views/opinions.

Proposed Next Steps

1. Further work is undertaken with LCC Building Design Team and LCC Estates Team in order to:
 - to develop a form of words to include in the standard Growth Fund Agreement that will ensure quality robust buildings are funded by public money but projects remain Value for Money.
 - to compare growth deal priorities with BREEAM priorities and give advice where the two standards conflict.
2. Activity is undertaken, by the Programme Office, to create a form of words for inclusion in Growth Fund Agreements/Memorandums of Understanding that reflects that (as now) an employer's agent to certify standard of build standards or GDMB reserve the right to insist on inspection of designs and / or completed buildings by an independent assessor at the projects sponsors costs .