

The Hon. Anthony Roberts MP
Minister for Planning
GPO Box 5341
Sydney NSW 2001

Dear Minister

**Building Sustainability Index (BASIX) Upgrade 2017
Stakeholder Needs and Expectations**

The Property Council of Australia (NSW Division) and the City of Sydney are jointly corresponding with you regarding the impending planning policy revision of BASIX – the NSW Building Sustainability Index.

In late 2016 a range of key BASIX stakeholders attended a Department of Planning and Environment briefing on the implementation of revised BASIX targets, first consulted upon in 2014. This was followed by the release of the NSW Government's *Draft Plan to Save NSW Energy and Money*, and the 20 March BASIX website update confirming the July 2017 implementation of new BASIX energy targets.

We write now to flag the pressing need for effective resourcing to be provided to and applied by the Department of Planning and Environment in the lead-up to this revision. This is essential to ensure the residential development industry, consent authorities and building certification service providers are well briefed on the policy changes. It is also critical that the updated web tool meets industry's expectations of best practice that BASIX displayed at inception in 2004.

Given that more than a decade has passed since BASIX started there is a pressing need for information sessions for stakeholders leading up to policy revision. We point to the significant number of planning practitioners who have entered the development assessment profession, the many new recruits to the residential development industry and new entrants to the building certification sector over that time.

The NSW Government depends in part on BASIX to achieve its greenhouse gas abatement targets. The professions referred to above need high-quality policy briefing sessions to understand their contribution to, and obligations under, the BASIX framework. The attached table indicates a proposed level of service that may be appropriate **ahead of July 2017**.

Regarding the need for the next release of the BASIX tool, the attached table flags a range of essential aspects of the BASIX tool that should be addressed as part of the new version release. These include the 'must-haves' that the tool needs to:

- Reflect contemporary commercially available energy efficiency fitout such as regenerative lift technology

- Potentially, residential-scale battery storage solutions **if proven** that this can demonstrably add to per-person greenhouse gas emissions abatement by enabling renewable energy storage and subsequent use onsite.

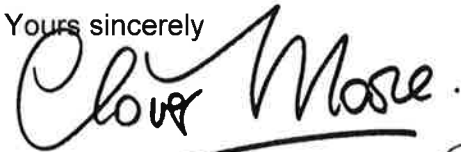
In charging for BASIX Certificates the NSW Government generates a specific income stream from the policy. It is reasonable for industry stakeholders in the residential design and construction space and local government stakeholders to expect appropriate reinvestment by the NSW Government (for example via training, technical support, and web tool maintenance and refinement) into its key policy platform for achieving energy and water savings from the new-build residential sector.

BASIX is an integral part of the NSW Government's policy platform to deliver energy savings and carbon abatement. Industry and councils are used to the policy and its web delivery platform still leads as an Australian first for web-based delivery of part of the planning system. Investing adequately in existing policy and tools will lead to an increase in the credibility and effectiveness of BASIX in the years to come.

The Property Council and NSW local government strongly supported BASIX when introduced because of the clarity it brought in terms of a consistent approvals pathway, its science-based methodology for carbon abatement, and its transparent and regular outcomes reporting. We wish to maintain our confidence in the scheme, and look to the NSW Government to demonstrate commitment via proper resourcing of the essential web tool upgrade and stakeholder support indicated above.

Should your staff wish to speak with Council about our agency's needs, they can contact David Eckstein, Environmental Projects Officer, on 9264 7372 or at deckstein@cityofsydney.nsw.gov.au. For further advice on the development industry's requirements for effective and efficient implementation of updated BASIX policy, please contact Tim Wheeler, NSW Senior Policy Advisor, on 9033 1909 or at twheeler@propertycouncil.com.au.

Yours sincerely



Clover Moore
Lord Mayor of Sydney



Jane Fitzgerald
NSW Executive Director
Property Council of Australia
NSW Division

Encl.

cc: The Hon. Gabrielle Upton MP, Minister for the Environment, Minister for Local Government

BASIX Policy and Tool Revision – Table of Needs

Aspect of BASIX Policy / Tool	Detail	Recommendations to NSW Government
1. <i>BASIX tool – functionality for users</i>	<p>The BASIX tool requires upgrades to enable users to be able to select from a full range of commercially available efficiency options for residential development.</p> <p>Not enabling the tool to reflect commercial options as 'selectables' frustrates best practice building designers and development teams.</p>	<ul style="list-style-type: none"> ◇ Ensure the BASIX tool is upgraded ahead of July 2017, with stakeholder input sought prior to finalisation. ◇ Ensure LED lighting options are updated for the apartment tool (common areas), regenerative lift technology is included and the potential for introduction of battery storage options is considered. ◇ Increase the transparency of calculations, via help notes, required behind the BASIX scores for projects including: <ul style="list-style-type: none"> a. Providing clarity around where targets come from and the logic behind targets i.e. where the percentage targets come from and why they are lower for taller buildings. b. An increase of transparency, via help notes, of the inter-link between the scores of the tool sections e.g. that changing fixtures impacts 'water' and 'energy' sections and why. <p>This transparency will allow assessors to provide useful advice to home owners and developers on how to improve the performance of their residential building. The tool currently relies on an element of trial and error and multiple alternative assessment results can be obtained for the same building.</p> <ul style="list-style-type: none"> ◇ An update of technologies available within the market place and their associated variables e.g. battery storage, central thermal plant, cogeneration, tri-generation, etc. The latter items are covered within the current tool however do not allow sufficient flexibility for rating different designs. ◇ Providing of clarity, via help notes, around how to assess building fabric and glazing performance to non-dwelling components of residential buildings e.g. common corridors, lobbies, etc. At present, it is unclear whether this is assessed under BASIX, Section J of the National Construction Code, or neither. ◇ A general review to improve consistency across the tool e.g. pool covers and pool rainwater reuse isn't always an option throughout. ◇ An inclusion for bulk-file upload e.g. CSV for heating and cooling loads. ◇ Improvement on usability of tool. The current tool and pilot tool are slow to calculate, and unresponsive at times. ◇ Improvement on the interface of the tool.

		<p>◇ Improvement on helpline / timely support from BASIX. The current channel of support requires consultants to contact Service NSW and leave a message for a return phone call. This process typically takes weeks.</p> <p>◇ Improvement on technical capability of the BASIX support team to provide guidance to industry as required..</p>
2. <i>The Process for lodging an assessment</i>	<p>The process should accommodate the realities of timing of different types of design decisions through a project's concept design, detailed design and specification process</p>	<p>◇ While the process for BASIX approval is suited to detached residential and low rise development, it is problematic for timing of decisions for some aspects of high-rise residential design and specification – specifically fit out within private dwelling spaces and some common area plant decisions that do not change a building's form or fabric.</p> <p>The Department of Planning and the Environment is requested to consider potential amendment to BASIX policy that enables some specific, non-core design commitments for high rise projects to be deferred until Construction Certificate documentation is submitted, with a full-detail BASIX Certificate provided with full-detail BASIX-annotated plans at that time. Design for compliance with thermal comfort standards would be required at DA submission stage, along with many other current BASIX commitments</p>
3. <i>BASIX tool – GHG intensity metrics</i>	<p>The carbon intensity of grid supplied electricity and mains gas appears to have not been updated since policy inception (2004). Carbon intensity metrics must reflect contemporary values which are readily available and formalised in other government policy.</p>	<p>◇ Update carbon intensity metrics in the BASIX engine to reflect current reality.</p>
4. <i>BASIX tool – Occupancy Settings</i>	<p>The BASIX engine needs to reflect latest ABS occupancy settings (as determined by post code or census collection districts).</p>	<p>◇ Ensure the next upgrade to the BASIX tool reflects most recently available ABS dwelling occupancy data.</p>
5. <i>BASIX Policy Review Timeframes</i>	<p>Formal, regular review of BASIX has been lacking. This impacts on development sector and local government confidence in policy effectiveness and good governance.</p>	<p>◇ Policy review (including review of targets (stringency), tool functionality and consent authority / Principal Certifying Authority skills refresher needs) should be formalised at either 3 or 4 years, with a 6 month lead-in process.</p> <p>◇ We suggest that performance benchmarking is undertaken with respect to other states in Australia. It is worth noting that at present, dwellings in NSW can typically achieve</p>

		compliance with the thermal comfort section with the equivalent of a NatHERS 3 – 4 star rating. In numerous states in Australia, the mandatory NatHERS rating is 6 stars.
6. <i>BASIX stakeholder skills needs – residential development industry</i>		<p>◇ Industry would benefit from BASIX Refresher courses offered across NSW ahead of the July 2017 target increases. Industry associations can advise on session needs.</p>
7. <i>BASIX stakeholder skills needs – consent authorities</i>	<p>Planners and Certifiers across local government need skills refresh sessions across a range of technical and policy areas to maintain a high standard of professional practice. The Department has not provided any formal BASIX training to a sector it is highly dependent upon for the delivery of its residential environmental sustainability agenda.</p>	<p>The Department to offer BASIX Refresher courses to consent authorities across NSW ahead of July 2017 Target increases.</p> <p>◇ Focus to be on explaining how to check for compliance at DA and CC assessment stages.</p> <p>◇ City of Sydney, having provided training to its own staff in Nov 2016 is able to assist the Department in developing a training package.</p>
8. <i>BASIX stakeholder skills needs – Certifiers</i>	<p>As above – public and private sector building certifiers play an important role in ensuring that BASIX delivers as intended at the construction stage.</p> <p>Currently there is certainly some inconsistency in the approach taken by different certifiers.</p>	<p>◇ The Department to engage with Building Professionals Board to provide updated BASIX content in BPB CPD program for certifiers across NSW ahead of July 2017.</p> <p>◇ Focus to be on explaining how to validate BASIX compliance during the construction stage, and the obligations to submit BASIX Completion Certificates upon issuing Occupancy Certificates.</p>