Bridport Area Neighbourhood Plan: Vision-2030.co.uk Climate Change Working Group Policy proposals for energy performance of new buildings.

The Climate Change Working Group (CCWG) propose to elaborate on the provisions of the Local Plan when preparing their contribution to the Bridport Area Neighbourhood Plan (BANP). Mindful that the BANP should be in general conformity with the Local Plan, this note sets out evidence to demonstrate that the NP builds on the framework of Policies contained within the Local Plan, and responds to the concerns of the community in the Neighbourhood Plan area.

The CCWG are contributing to many areas of the NP. The following proposals relate specifically to the built environment under three headings: the evidence supporting this approach; the policies that are being suggested; the need to demonstrate that development remains financially viable.

The evidence supporting this approach.

The UK has committed to cutting greenhouse gas emissions by 80% from 1990 levels by 2050². Current government policies fall short of delivering what is required³ and are on course to deliver only half of the savings necessary to meet the 5th Carbon Budget⁴. Similar observations have been made by others⁵, and have informed the 2017 Clean Growth Strategy where the Construction Sector Deal sets an ambitious objective for a reduction in greenhouse gas emissions⁶.

The latest report from the Intergovernmental Panel on Climate Change⁷ suggests that the carbon reductions mandated through the climate change act still will not be enough to prevent the worst impacts of climate change and that tougher action will be required. The government is currently considering how it will implement far-reaching measures to reduce emissions.

The obligation on Neighbourhood Plans to have a positive impact on reducing carbon within the area is contained in both the Town and Country Planning Act⁸ and the NPPF⁹. The policy¹⁰ in the Local Plan states that "buildings are expected to achieve high standards of environmental performance." It does not set high standards but calls for the energy performance of new buildings to comply with the current Building Regulations¹¹. There is an opportunity for the NP to introduce more specific guidance, in line with the stated Local Plan policy, in the form of policies that will contribute to carbon mitigation. This is compatible with the findings of both the consultation with the local community¹², and the Regulation

¹ References to the Local Plan are to the Plan in force at the date of this note. The Plan is currently in revision and the Preferred Options can be accessed <u>here</u>.

²Climate Change Act 2008 Part 1 Schedule 1.

³Committee on Climate Change; 'Next Steps for UK Heat Policy', https://www.theccc.org.uk/wp-content/uploads/2016/10/Next-steps-for-UK-heat-policy-Committee-on-Climate-Change-October-2016.pdf Executive summary pages 7 – 14.

⁴ Committee on Climate Change, 'The Fifth Carbon Budget', https://www.theccc.org.uk/wp-content/uploads/2015/11/Committee-on-Climate-Change-Fifth-Carbon-Budget-Report.pdf

⁵ Modern Building Services Journal, 'The energy-efficiency year that was ... and then wasn't', Vol .13 No 1 May 2016. ⁶ http://modbs.co.uk/news/fullstory.php/aid/17570/Construction_Sector_Deal__96_focus_on_transformation_.html

⁷ Intergovernmental Panel on Climate Change, http://www.ipcc.ch/report/sr15/

⁸ Section 19 of the T&CP Act 2004 (as amended 2008) states that: 'Development plan documents must ... include policies designed to ... contribute to the mitigation of ... climate change'.

Where this note refers to the NPPF it has taken account of the revised version due to come into force in January 2019. The NPPF has an 'overarching objective ... to contribute to ... moving to a low carbon economy'.

¹⁰ West Dorset Weymouth Portland Local Plan page 51 states ENV13. ACHIEVING HIGH LEVELS OF ENVIRONMENTAL PERFORMANCE i) New buildings and alterations / extensions to existing buildings are expected to achieve high standards of environmental performance. The Revised Plan Preferred Options replaces this with the new Policy ENV15 which expresses a similar aspiration.

¹¹ West Dorset Building Control confirm that they are currently working to Building Regulations 2013 Part L1A.

¹² Vision and Objectives Consultation Summary, October 2015. http://www.vision-2030.co.uk/app/download/5807448777/2015+consultation+summary.docx

14 consultation¹³. An overwhelming concern for the community is that homes should be affordable both to acquire and to run i.e. have low lifetime energy costs.

The advice given to us by West Dorset Policy Development that the Neighbourhood Plan cannot require higher standards of environmental performance than those required by current building regulations has been based on the ministerial statement HCWS 488 of 25th March 2015¹⁴. This interpretation has been questioned by RegenSW^{15,16} and the Royal Town Planning Institute¹⁷, and specifically addressed by the Government in their response to the draft revised National Planning Policy Framework consultation¹⁸, where they state (pg 48) 'local authorities are not restricted in their ability to require energy efficiency standards above Building Regulations'.

There remains the question as to the powers awarded to the Neighbourhood Plan as opposed to the Local Plan in calling for these improved performance standards. The Planning and Energy Act 2008 predates the Localism Act and therefore only refers to Local Development Plan documents. The Neighbourhood Planning Regulations 2017 clearly state that a NP will form part of the Local Development Plan document once adopted by the Council, so that once the NP has been made it then forms part of the Local Development Plan and the provisions of the Planning and Energy Act would apply. Therefore the NP should have the power to set energy targets.

Therefore, in summary, a reasonable interpretation of the current legal and policy framework is that, far from preventing Neighbourhood Plan Policies from having requirements that exceed Building Regulations, it allows them to do so.

When the current Local Plan was in draft form it called for an emission rate equivalent to the then in use Code for Sustainable Homes Level 4. This requirement was abandoned following guidance from the inspector, and the requirement reverted to the target emission rate of Building Regulations Part L 2013. It is now proposed in this Neighbourhood Plan to revert to the emission rate previously called for, equivalent to CSH 4. This was calculated in the Brighton Plan¹⁹ to have been equivalent to a 19% improvement above the target emission rate of Building Regulations Part L 2013. It is proposed to call for this rate in the BANP because a) it re-establishes the improvement in energy efficiency that was previously called for in the draft Local Plan, and b) it was subject to a financial viability assessment at that time and found to not threaten development viability.

The Local Plan is currently under review, and there is the possibility that it could follow the lead set by this Neighbourhood Plan, in calling for improved energy efficiency.

The provision in the Planning and Energy Act 2008 for local planning authorities to require 'a proportion of ... energy used in development ... to be ... from renewable sources' eg include a Merton Rule²⁰ or something similar, has not been affected by subsequent ministerial policy statements, and there are no limits on standards across the non-domestic sector.

 $\frac{https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment \ data/file/728498/180724 \ NPP \\ F_Gov_response.pdf$

¹³ 89.5% of responders to the Reg 14 consultation supported the proposed Policy CC2 calling for the improved energy performance of new development.

¹⁴https://www.gov.uk/government/speeches/planning-update-march-2015

¹⁵RegenSW: 'Can Local Authorities set energy requirements in their Local Plans?' contact Hazel Williams, Senior Analyst RegenSW.

¹⁶RegenSW: 'Model Policies for energy in neighbourhood plans' contact Hazel Williams, Senior Analyst RegenSW.

TCPA/ RTPI 'Planning for Climate Change, A Guide for Local Authorities'

The Brighton and Hove City Plan calls for 19% improvement against Part L 2013 (equivalent to CSH4). It was adopted on 24th March 2016: http://www.brighton-hove.gov.uk/content/planning/planning-policy/city-plan-part-one
The Merton Rule: www.merton.gov.uk/environment/planning/planningpolicy/mertonrule.htm

Proposed Climate Change Policies for BANP

For the reasons outlined above, and encouraged by the success of the Brighton Plan, the East Devon Plan²¹, the Ipswich Local Plan²², and the Greater London Plan²³, the CCWG propose Policy CC2 calling for a 19% reduction on Part L 2013 for dwellings and BREEAM 'very good' or better for non-residential development.

All new developments will result in energy use during their lifetime, the so-called unregulated energy. It is proposed that a proportion of this should be offset by local generation. This has led to Policy CC3 in the style of the 'Merton Rule'²⁴ calling for 10% offsetting of CO2 emissions from Unregulated Sources for all new development through onsite renewable energy generation. The method for calculating this unregulated energy could be the Standard Assessment Protocol²⁵ or equivalent. Such a Policy has been included in the Bath Place Making Plan²⁶, and was supported by 81.2% of respondents to our Regulation 14 consultation.

Policy CC2 Energy Efficiency of New Development.

New development should meet the following level of energy efficiency:

- a) Residential development should achieve a 19% reduction on Building Regulations Part L 2013;
- b) Non-residential developments should meet the relevant section of the Buildings Research Establishment BREEAM building standard 'very good'.

Policy CC3 On-Site Energy Generation to Offset Unregulated Energy Requirements.

New development both residential and non-residential should secure at least 10% of its total unregulated energy from decentralised and renewable or low carbon ie non-fossil fuel sources.

The need to ensure that development viability is not threatened.

The NPPF states 'developments should not be subject to ... such ... policy burdens that their ability to be developed viably is threatened'. The energy efficiency policy proposed above was subject to financial viability assessment when it was part of the draft LP²⁷, for the purpose of determining an appropriate level of CIL. That study was reported in 2012, and both the consultant and the Examiner²⁸ remarked that viability had been demonstrated, and was likely to become more robust in future years as the housing market improved. This has proved to be the case as average house prices have risen in excess

²¹ The East Devon Local Plan Strategy 38 calls for CSH Level 4 and BREEAM very good. It was adopted on 28 January 2016. http://eastdevon.gov.uk/planning/planning-policy/local-plan-2013-2031/

²² The Ipswich Local Plan was adopted in February 2017. https://www.ipswich.gov.uk/content/adopted-ipswich-local-plan-2011-2031

²³ The London Plan https://www.london.gov.uk/what-we-do/planning/london-plan/new-london-plan/draft-new-london-plan/Policy S12 is targeting zero carbon.

Merton have recently dropped reference to their Rule, as they come under the more demanding requirements of the London Plan *ibid*.

²⁵ The SAP methodology is summarised in section 16 and detailed in Appendix L of the official calculation method for SAP / Part L calculations. https://www.bre.co.uk/filelibrary/SAP/2012/SAP-2012 9-92.pdf

²⁶ Bath & North East Somerset PlacemakingPlan paragraph 108 introduces a 10% Merton Rule for new development. The Plan was adopted in 2017 http://www.bathnes.gov.uk/services/planning-and-building-control/planning-policy/placemaking-plan.

²⁷ Community Infrastructure Levy: Viability Study, PNB Paribas Real Estate. Formerly available here but now returning error 404: https://www.dorsetforyou.gov.uk/media/173595/West-Dorset-CIL-Viability-Report/pdf/West Dorset CIL viability report final 29Feb12.pdf

²⁸ Report on the examination of the CIL charging schedules. Formerly available at: https://www.dorsetforyou.gov.uk document 207348, but no longer available.

of 27% within West Dorset²⁹. At the same time building costs, which comprise roughly a third of the development cost, have risen by about 17%³⁰. More specifically, the incremental cost of building to higher energy performance has been falling³¹ and the cost of incorporating an element of Merton is not a significant part of the overall development cost³².

The viability assessment found development to be viable even with the 35% affordable housing included in the draft LP at the time.

It is clear that the proposed policies do not threaten development viability.

R C Toft
B & SP NP CCWG volunteer
richard.toft@btinternet.com
V13 Incorporating CSE comment 111118

 $\underline{\text{hove.gov.uk/files/EP059\%20Costs\%20of\%20building\%20to\%20the\%20Code\%20for\%20Sustainable\%20Homes\%20(Sept\%202013)\%20(draft).pdf}$

²⁹Rightmove property prices: http://www.rightmove.co.uk/house-prices-in-my-area/marketTrendsTotalPropertiesSoldAndAveragePrice.html?searchLocation=dt6&sellersPriceGuide=Start+Search

³⁰ Building Cost Indices: http://www.costmodelling.com/construction-indices

³¹ Costs of building to the code for Sustainable Homes Element Energy: <a href="https://www.brighton-hove.gov.uk/sites/brighton

Sept%202013)%20(draft).pdf

32 The cost of meeting the zero carbon standard, Zero Carbon Hub:/Sweet Group:
http://www.zerocarbonhub.org/sites/default/files/resources/reports/ZCH Costs Summary Leaflet.pdf