Title: Net Zero Carbon Development Plan Document Lead Officer: Andrew Cornfoot (01926 456 203)

Portfolio Holder: Councillor Alan Rhead Wards of the District directly affected: All

### **Summary**

This report sets out:

- a) The feedback from the consultation that was undertaken on the Net Zero Carbon Development Plan Document (NZC DPD) in Autumn 2021
- b) Details the changes made to the NZC DPD in response to that consultation and includes the revised draft of the DPD.

It also seeks approval to proceed with a consultation on the DPD under Regulation 19 of the Town and Country Planning Act (Local Planning) (England) Regulations 2012.

## Recommendation(s)

- (1) That Cabinet notes the report of public consultation (set out in Appendix 1) relating to the consultation.
- (2) That Cabinet supports the revised draft of the NZC DPD (set out in Appendix 2) as the basis of a further consultation under Regulation 19 of the Town and Country Planning Act (Local Planning) (England) Regulations 2012.
- authority is given to the Head of Place and Economy in consultation with the Portfolio Holder for Climate Change, to make further amendments to the draft DPD prior to the consultation commencing, subject to these amendments not giving rise to substantive changes to the basis of the DPD as set out in Appendix 2. Furthermore, delegated authority is given to finalising the Sustainability and Viability Appraisals associated with the DPD for publication as part of the consultation.
- (4) That Cabinet notes that if the Council proceeds to a Regulation 19 consultation and officers subsequently advise to proceed to an Examination of the DPD, then a further report will be brought to Full Council seeking approval to proceed to submit the DPD to the Secretary of State for Examination.

### 1 Background/Information

1.1 At its meeting on 8<sup>th</sup> July 2021, the Cabinet agreed to commence a consultation under regulation 18 of the Town and Country Planning Act (Local Planning) (England) Regulations 2012 for the draft NZC DPD. The seven-week consultation commenced on 26th July 2021 and ran until 13<sup>th</sup> September 2021.

- 1.2 Since the consultation has ended a report of public consultation has been prepared which captures the comments and objections raised during the consultation. This is set out in Appendix 1. The report of public consultation also sets out the proposed response to the comments and objections including those that need to be reflected in revisions to the DPD or in updated evidence.
- 1.3 As a result of this, revisions have been made to the draft DPD. This report sets out the key changes and the revised draft is included in Appendix 2. These revisions seek to address the comments and objections and to clarify the DPD to ensure it is robust and effective once adopted.
- 1.4 A key part of the evidence base to support the DPD is the Viability Assessment. As a result of comments received relating to viability and amendments to the policies contained within the DPD, an update to the viability assessment has been undertaken. The updated viability assessment will be published as part of the public consultation.
- 1.5 Further technical evidence has also been produced following the Regulation 18 consultation to support the revised policies of the DPD and an Energy and Sustainability policy review is included in Appendix 3. This provides the technical justification for the proposed changes to the policies and will be published alongside the consultation draft of the DPD.
- 1.6 In addition, the Sustainability Appraisal is also being updated to address comments received through the consultation and to reflect the revised policies of the DPD. This will be published as part of the public consultation.
- 1.7 Officers are awaiting some updated evidence in relation to viability testing of the revised policies and an update to the sustainability appraisal and therefore seek delegated authority to make further amendments to the draft DPD prior to the consultation commencing, subject to these amendments not giving rise to substantive changes to the basis of the DPD as set out in Appendix 2. Delegated authority is also sought to finalise these two documents ahead of commencement of the public consultation where they will form part of the consultation and evidence base to support the DPD. Based on initial feedback and information provided from our viability consultant, officers have confidence that the majority of development types can be demonstrated to be viable when the policies of the DPD are applied.
- 1.8 A Regulation 19 consultation is the second stage of consultation when forming a Local Plan/DPD and it seeks to address two key questions:
  - 1. Has the plan been prepared in accordance with all legal and procedural requirements?
  - 2. Does the plan meet the prescribed tests of soundness?
- 1.9 Following the Regulation 19 consultation, Full Council then has to decide whether it wishes to proceed to submit the DPD to the Secretary of State for Examination. A further report will therefore be brought to Council in due course.
- 1.10 Should Cabinet agree to proceed to the Regulation 19 Consultation, an indicative timetable for adoption of the DPD might be as follows (note: there are many variables that may affect this timetable, e.g. availability of an Inspector or whether any main modifications are required to be made and consulted upon):
  - 1. Reg. 19 Consultation Mid-late Feb 22 Late March/Early April 22

- 2. Input responses to Reg.19 Consultation into consultation database; review and summarise representations April 22
- 3. Collate documentation for submission including recommended changes for Council/the Inspector to consider Late April 22
- Report to Council for approval to submit DPD to SoS for Examination 11<sup>th</sup> May 22
- 5. Request to Secretary of State to appoint Inspector Mid May 22
- 6. Inspector appointed and EIP process commences September 22
- 7. EIP process closes September 22
- 8. Inspector makes main modifications recommendations September 22
- 9. Public consultation on main modifications October/November 22
- 10.Comments returned to Inspector November 22
- 11. Inspector publishes report December 22
- 12. DPD is amended in accordance with the Inspector's report January 23
- 13. Final version of DPD taken to Council with a report requesting the Council adopts the DPD February 23
- 14. Adoption February 23.

### 1.11 Summary of responses to the consultation

- 1.12 Appendix 1 contains a report on the Consultation capturing comments received during the consultation, identifying key themes and also the key changes that have been made to the DPD in response to the consultation. However, the following paragraphs provide a brief overview of the consultation.
- 1.13 A total of 84 representations were received to the consultation from 43 different respondents (some respondents submitted more than one representation owing to how our consultation system is set up). Of the 43, 17 are respondents from organisations and 26 are from individuals.
- 1.14 47% of representations were in support of the DPD, 22% expressed mixed views, 20% were objections, 6% did not specify a position and 5% were unclear.
- 1.15 The consultation received a greater number of representations in support of the DPD than comments objecting, with the majority of respondents acknowledging the need for action to reduce the carbon footprint of new development and lessen the contribution to the causes of climate change. Where comments were of 'mixed' feedback, many of these still supported the goals of net zero carbon but wanted the policies to be more effective, forceful, or have clearer means for implementation.
- 1.16 A number of key themes were identified through the consultation including:
  - Embodied carbon (construction materials)
  - Energy hierarchy
  - Carbon offsetting
  - · Supply chain deliverability
  - Performance gap / enforceability
  - Transport related emissions
  - Existing buildings / retrofit
  - Biodiversity measures
  - Policy flexibility

- Local circumstances
- Viability of development; and
- Sustainability Appraisal;

The consultation report in Appendix 1 explores the key issues raised relating to these themes.

#### 1.17 Changes to the DPD

1.18 Appendix 1 sets out the changes to the DPD that have been made in response to the Regulation 18 consultation. The consultation report sets out the reasons for those changes and includes a table setting out how officers have responded to submitted representations. Officers have sought to make policies more robust and also, where appropriate, widened the scope of policies for example to require a consideration of embodied carbon for large major developments.

# 2 Alternative Options available to Cabinet

### 2.1 **Alternative Option 1:**

Cabinet could determine that they cannot support the revised draft of the NZC DPD and ask officers to reconsider aspects of the draft DPD and subsequently bring a further report to Cabinet seeking approval for a revised draft.

- 2.2 This however would add delay in the process of adopting the DPD and therefore might result in further homes securing planning permission before the DPD is adopted and therefore adding to the problem that this DPD seeks to address.
- 2.3 It should also be noted that in considering the consultation representations and arriving at revised policies, officers have sought the support of consultants with expertise in this field and therefore believe that the revised DPD, as set out in Appendix 2, is robust and is backed by evidence.

#### 2.4 Alternative Option 2:

- 2.5 Cabinet could decide that they do not wish to proceed with the preparation of a NZC DPD.
- 2.6 However, this would mean that until national requirements to reduce carbon emissions from new buildings are introduced or policies are adopted in the emerging South Warwickshire Local Plan, then new development would be built in Warwick District that would be adding to the existing problem, thus not addressing the climate emergency.
- 2.7 It is anticipated that Building Regulations will be improved in this regard during 2022 but the changes are not expected to go as far as the policies in this draft DPD in addressing the climate emergency. More robust national policy on reducing carbon emissions from new buildings is expected through the implementation of the Future Homes Standard although new legislation for this standard is not expected until 2024 with implementation in 2025.
- 2.8 'Tackling Climate Change' is proposed to be an overarching principle that sits at the heart of the emerging South Warwickshire Local Plan. Therefore, robust policy that will see a reduction in carbon emissions is likely to be proposed in the Plan. However, the indicative timetable for adoption of the Plan is not until the end of 2025 and therefore significant levels of development is likely to go through the planning process in the interim period that wouldn't have notable carbon reduction requirements.

#### 3 Consultation and Member's comments

- 3.1 The DPD that was subject to public consultation was drafted by officers with the benefit of having held a number of meetings with a cross-party member working group that provided a helpful steer for the direction that that DPD should take.
- 3.2 The draft DPD has been amended as a response to the public consultation and with the benefit of technical expertise.

## 4 Implications of the proposal

#### 4.1 Legal/Human Rights Implications

4.1.1 There are no legal or human rights implications of the proposed NZC DPD.

#### 4.2 Financial

- 4.2.1 The costs of conducting a Regulation 19 consultation and reviewing the responses are covered within the existing budget framework. The costs associated with consultants associated with the preparation of the DPD are covered in part through the Climate Action Fund and also the Planning Reserve.
- 4.2.2 Further costs will be incurred in due course should a subsequent Council decision be taken to submit the DPD to the Secretary of State for Examination.
- 4.2.3 If the DPD is ultimately adopted it is very likely that additional specialist expertise will be required in the Development Management team to assess whether documentation submitted as part of planning applications demonstrates compliance with the policies of the DPD.

# 4.3 Council Plan

#### 4.3.1 Fit for the Future (FFF)

4.3.2 The Council's FFF Strategy is designed to deliver the Vision for the District making it a great place to live, work and visit. The FFF Strategy has 3 strands, People, Services and Money, and each has an external and internal element to it, the details of which can be found on the Council's website. The section below illustrates the impact of this proposal if any in relation to the Council's FFF Strategy.

### 4.3.3 FFF Strands: External impacts

# 4.3.4 People - Health, Homes, Communities

The adoption of net zero carbon policies will result in a demonstrable improvement in the energy efficiency and quality of homes in the District. Homes built to these standards should also reduce fuel costs for occupants thus bringing benefits to livelihoods. The policies will minimise any adverse impact that communities in Warwick District are having upon the local and global climate.

### 4.3.5 Services - Green, Clean, Safe

4.3.6 The NZC DPD is a response to the climate emergency. A key outcome of the Fit for the Future Green, Clean, Safe strand is achieving the Council's stated outcome of total carbon emissions within Warwick District being as close to zero as possible by 2030. The DPD, or equivalent policy, will be critical to achieving this stated outcome.

- 4.3.7 The Council's Climate Emergency Action Programme Main Report, <u>Taking Action on Climate Change</u>, dated January 2020, highlights the critical role that planning policy has in delivering the Council's aims on climate change by stating "The role and influence of planning policy should not be underestimated in realising the net zero carbon ambitions of the District by 2030". In acknowledging the role of planning, the report further identifies the following action to improve the efficiency of buildings and reducing energy demand: "Develop and implement policies that will deliver improved net zero carbon building standards subject to national policy".
- 4.3.8 Point 3.6 of Ambition 2 of the Council's Climate Change Action Programme Summary (WDC Climate Change Action Programme Summary) promotes the requirement to build housing to net zero carbon in operation through the introduction of planning policies and states that this should "set clear building standards for energy efficiency, heating systems, renewable and low carbon energy sources and (if necessary) carbon offsetting".

# 4.3.9 Money - Infrastructure, Enterprise, Employment

- 4.3.10 The adoption of the DPD policies will result in improved building standards for larger buildings and thus should bring down energy costs and reduce operational costs for businesses.
- 4.3.11 FFF Strands: Internal Impacts

## 4.3.12 People - Effective Staff

4.3.13 The standards that would be introduced by the DPD will result in new development being constructed to enhanced energy efficiency standards which may be of benefit to employees that live in the District or may in the future wish to live in the District. The authority is a leading authority nationally in preparing a Net Zero Carbon DPD and therefore its preparation provides a learning opportunity for officers.

### 4.3.14 Services - Maintain or Improve Services

4.3.15 The DPD policies will improve local planning policies so that they are fit for the short-medium term future and seek to address a key consideration for town planning and the Council, tackling climate change.

## 4.3.16 Money – Firm Financial Footing over the Longer Term

4.3.17 The DPD policies will not have any direct impact upon the finances of the Council. However, additional development that is constructed to standards short of net zero carbon standards is likely to have to be retrofitted in the future and this will have to be funded nationally, locally or by individuals.

### 4.4 Environmental/Climate Change Implications

4.4.1 The core purpose of preparing the NZC DPD is to respond to the climate emergency. A key outcome of the Fit for the Future Green, Clean, Safe strand is achieving the Council's stated outcome of total carbon emissions within Warwick District being as close to zero as possible by 2030. The DPD will be critical to achieving this stated outcome. See also Section 4.3.5 'Services – Green, Clean, Safe'.

### 4.5 Analysis of the effects on Equality

4.5.1 There are no equality impacts associated with the proposals in this report.

#### 4.6 **Data Protection**

4.6.1 There are no Data Protection implications associated with the proposals in this

report.

### 4.7 **Health and Wellbeing**

4.8 The proposed DPD policies, if adopted, will improve energy efficiency of homes and businesses and it is expected that they will bring energy costs down. This will be of significant benefit to residents and businesses as it will reduce costs and reduce the number of people suffering from fuel poverty. This has the potential to have a significant positive impact upon health and wellbeing of residents.

### 5 Risk Assessment

- 5.1 Failure to develop and implement policies requiring new developments to be net zero carbon in operation will undermine the Council's Climate Emergency declaration and furthermore will mean the Council's stated ambitions on climate change would be undeliverable, in the absence of national policy being implemented.
- 5.2 Alternative Options 1 and 2 (see Section 2) identify risks associated with both adding delay into the process for the adoption of the DPD and with an approach that would result in the Council not proceeding with the preparation of the DPD.
- 5.3 A risk associated with proceeding with the adoption of the DPD is that the Council may commit significant resources (finances and staff time) into the preparation and adoption of the Plan only for measures to be implemented at the national level on a timescale earlier than currently anticipated, thus resulting in abortive work. However, based on current information the government's Future Homes Standard is not expected to be fully introduced until 2025 and therefore to not proceed with the DPD would potentially risk significant further development that doesn't already benefit from planning permission being built in the District to lower energy efficiency standards than the DPD will require. Furthermore, the work on preparing the DPD will be valuable in informing further work and emerging policies in the South Warwickshire Local Plan in the areas of net zero carbon buildings and tackling climate change more widely.
- 5.4 The Council, in developing policy for net zero carbon buildings, is at the forefront of policy formulation in this subject area nationally and as such there are fewer examples to draw learning from. As a result, pursuing the adoption of this DPD will result in further costs from technical consultants supporting the authority through to adoption.
- 5.5 Overall, it is considered that the risks of not proceeding to a Regulation 19 consultation and ultimately to adoption of the DPD are greater than any risks associated with proceeding.

#### **6** Conclusion/Reasons for the Recommendation

- 6.1 This report provides feedback from the Regulation 18 public consultation that was undertaken on the Net Zero Carbon DPD in Autumn 2021. The report identifies key changes that have been made to the DPD following the consultation and includes a revised draft of the DPD. The report seeks approval to proceed with a consultation under Regulation 19, a necessary step in the process of adopting a DPD.
- 6.2 Officers are content that the revised draft DPD provides a more robust version

of the Plan that has responded to a wide-range of representations received through the public consultation. Crucially, in working with technical consultants with expertise in this area, it is considered that the policies within the DPD are suitably supported by evidence to demonstrate their suitability and viability.

# **Appendices**

Appendix 1: Warwick Net Zero Carbon DPD Regulation 18 Consultation Report

Appendix 2: Draft Net Zero Carbon Development Plan Document

Appendix 3: Energy and Sustainability Policy Review

# **Report Information Sheet**

Please complete and submit to Democratic Services with draft report

Committee/Date	Cabinet 10 <sup>th</sup> February 2022	
Title of report	Net Zero Carbon Development Plan Document	
Consultations undertaken		
Consultee *required	Date	Details of consultation /comments received
Ward Member(s)	N/A	
Portfolio Holder WDC & SDC *	14/01/22	Comments received 20/01/22 relating to the DPD
Financial Services *	22/12/21 14/01/22	
Legal Services *	N/A	
Other Services	N/A	
Chief Executive(s)	22/12/21 14/01/22	
Head of Service(s)	22/12/21 14/01/22	
Section 151 Officer	22/12/21 14/01/22	
Monitoring Officer	22/12/21 14/01/22	
CMT (WDC)	22/12/21 14/01/22	Minor comments received: 11/01/22 and 18/01/22
Leadership Co-ordination Group (WDC)	24/01/22	
Other organisations	N/A	
Final decision by this Committee or rec to another Ctte/Council?		Recommendation to :Cabinet / CouncilCommittee
Contrary to Policy/Budget framework		No
Does this report contain exempt info/Confidential? If so, which paragraph(s)?		No
Does this report relate to a key decision (referred to in the Cabinet Forward Plan)?		Yes, Forward Plan item – 1,260 scheduled for 10 <sup>th</sup> February 2022
Accessibility Checked?		Yes