

Title: Net Zero Carbon DPD
Lead Officer: Dave Barber
Portfolio Holder: Cllr. Alan Rhead
Public/Confidential report: Public
Wards of the District directly affected: All

Contrary to the policy framework: No
 Contrary to the budgetary framework:
 Key Decision: Yes
 Included within the Forward Plan: Yes
 Equality Impact Assessment Undertaken: Yes
 Consultation & Community Engagement: Proposed by this report
 Final Decision: No
 Accessibility Checked: Yes

Officer/Councillor Approval

Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	15/6	Chris Elliott, Bill Hunt
Head of Service	15/6	Phil Clarke
CMT	15/6	Chris Elliott, Bill Hunt, Andy Jones, Dave Barber
Section 151 Officer	15/6	Mike Snow
Monitoring Officer	15/6	Andy Jones
Finance	15/6	Mike Snow
Portfolio Holder(s)	17/6	Alan Rhead

1. Summary

- 1.1. In support of the Council's climate change ambitions, this report sets out proposals to commencement a formal public consultation on a Net Zero Carbon Development Plan Document for new buildings.

2. Recommendation

- 2.1. Cabinet is requested to approve the Net Zero Carbon Buildings DPD (set out in Appendix 1) for a seven-week period of public consultation commencing on 26th July 2021.
- 2.2. That Cabinet agree to a procurement exemption for the appointment of consultants to support the development of the DPD through the preparation and examination process (as detailed in para 3.6 below).

3. Reasons for the Recommendation

- 3.1. **Recommendation 2.1:** The DPD has been prepared in accordance with the aims of the climate emergency declaration and with the assistance of a joint, cross-party working group of members who have been very involved with the production of the policies.
- 3.2. This DPD is one of the first to be produced by local authorities in England in an attempt to deliver promises made through the climate emergency declaration and is therefore pioneering in many respects. For this reason, it has been difficult to obtain the assistance of external expertise to guide the direction of the document. We have therefore relied heavily on in-house experience and knowledge to bring forward this document for consultation.
- 3.3. During the preparation process, the scope of the DPD has been refined so that it now focuses specifically on tackling carbon emissions from new developments. In terms of delivering sustainable new buildings, carbon emissions are considered to be the most urgent aspect to address, particularly in light of the climate emergency. By ensuring new buildings are net zero in operation (or capable of being so without future retrofitting), the draft DPD seeks to prevent the scale of the future challenge of retrofitting from growing. The scope of the DPD has been defined in a way that seeks to establish a policy a framework as quickly as possible whilst focusing on the most critical element of building design. The risk of delays that could arise be attempting to prepare and adopt a DPD that delivers entirely sustainable buildings is considered to be significant. It is intended that the emerging South Warwickshire Local Plan will incorporate policies with a wider scope and will seek to address sustainable building practices that are not addressed through this draft DPD.
- 3.4. In order to progress the document toward adoption, a public consultation must now take place to establish the suitability of the DPD to ensure that all future developments are zero carbon, or as close as possible by 2030, in construction and as many of the principles of sustainability are incorporated as possible.

- 3.5. It should be noted that in preparing proposals for this DPD, the Council will need to ensure that the viability of development in the District is not compromised to such an extent that development required to deliver the adopted local plan will no longer come forward. Officers have therefore commissioned a Viability Study to consider the viability impacts of the proposed DPD policies. This study shows that in the majority of locations, and for the majority of development types, development will not be compromised to such an extent that viability will be impacted. There are some exceptions to this, particularly housing in lower value areas of the District. In these cases, there may be occasions where viability means there needs to be a trade-off between the policies of the new DPD, affordable housing requirements or other section 106 requirements. It is proposed that where this necessary, the trade-off is dealt with on a case by case basis taking account of the specific circumstances of the scheme in question, rather than applying a uniform approach for the whole District. It should be noted that the DPD may lead to a limited increase in the number of applications where viability is contested. This in turn may have resource implications for the Development Management team and/or the need for independent external viability assessments on applications.
- 3.6. Recommendation 2.2: In consultation with the portfolio holder, officers have prepared a draft timetable for the completion of the DPD. This is set out in the Local Development Scheme. There remain many unknowns and uncertainties (such as the quantity, complexity and impact of consultation responses; the time required for the Planning Inspectorate to arrange and manage the Examination process etc.) which means that there is a risk that the timetable will change. However, officers are aware of the urgency in progressing the DPD as quickly as possible. Given that the DPD involves some highly technical expertise and requires a focused resource, it is intended to commission a consultant to manage and drive the process following the completion of the consultation recommended in this report. To achieve the timetable set out in the LDS, these consultants will need to be appointed by August 2021 so that they can contribute to the analysis of the representations received during the first consultation. To go to an open competition is likely to take at least 2 months, which would potentially lead to slippage in the published timetable. Having twice attempted and failed to procure suitable consultants through frameworks, officers have now identified a small number of consultants who have expressed an interest in undertaking this work. As the majority of these consultants are not on an existing framework that is available to WDC, it is proposed to provide each of the consultants with the works specification and ask them to respond within two weeks setting out how they would meet the requirements, the expertise and skills they would bring, and the price for the work. This will then enable officers to award the work to a consultant to oversee the DPD process from August 2021. At present the total value of the work is unknown. So, as required by paras 5.5 and 6.2 of the Code of Procurement Practice, for contracts that may exceed £50,000, this report seeks Cabinet approval for a procurement exemption on this basis.

4. Policy Framework

4.1. Fit for the Future (FFF)

- 4.1.1. The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things the FFF Strategy contains several Key projects. This report shows the way forward for implementing a significant part of one of the Council's Key projects.
- 4.1.2. 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 table below illustrates the impact of this proposal if any in relation to the Council's FFF Strategy.

4.2. FFF Strands

4.2.1 External impacts of proposal(s)

People - Health, Homes, Communities - Intended outcomes: Net zero carbon in construction achieved; Reduction in energy demand and usage; Improved health for all; Housing needs for all met; Reduction in fuel poverty; Overheating in buildings reduced

Services - Green, Clean, Safe – Intended outcomes: Total carbon emissions within Warwick District are as close to zero as possible by 2030; Developments provide for green spaces to be included for health and wellbeing; Offsetting enables the future development of other mitigation

Money- Infrastructure, Enterprise, Employment – Intended outcomes: Increased employment and income levels for specialist developers; reduction in fuel poverty

4.2.2. Internal impacts of the proposal(s)

People - Effective Staff –Intended outcomes: All staff have the appropriate tools to deliver the climate emergency measures; All staff have an awareness of the Council's standards

Services - Maintain or Improve Services - Intended outcomes: Focusing on our customers' needs; Continuously improve our processes

Money - Firm Financial Footing over the Longer Term - Intended outcomes: Better return/use of our assets; Ensure income through offsetting to assist in mitigating the impacts of climate change.

4.3. Supporting Strategies

- 4.3.1. Each strand of the FFF Strategy has several supporting strategies and the relevant ones for this proposal are explained here.
- 4.3.2. The Warwick District Local Plan, 2011-2029 sets out various policy approaches designed to address climate change. Several policies relate to

aspects of climate change including those addressing the built and natural environment, but there are three very specific policies which are important in this regard.

- Policy CC1, Planning for Climate Change Adaptation, dealing with the layout and orientation of new development and an assessment of the materials and overheating elements of construction as well as the use of grey and other recycled water and the minimisation of flood risk.
- Policy CC2, Planning for Renewable Energy and Low Carbon Generation, dealing with the impacts of development on landscape and habitats; the impacts on the historic environment; addressing the need for heating systems locally; the use of biomass and the reduction in transportation of fuels and the possibility of investigating alternative energy sources such as wind energy and hydropower.
- Policy CC3, Building Standards and Other Sustainability Requirements, dealing with standards to be reached for non-residential developments and the potential for incorporating Combined Heat and Power (CHP) networks.

4.3.3. The interim Climate Emergency Action Programme (CEAP) agreed by Executive in December 2020, specifically refers to the importance of progressing this DPD. This report is therefore a key element in achieving the Council CEAP.

4.4. Changes to Existing Policies

4.4.1. This document is a Development Plan Document (DPD) and as such it mainly adds to, rather than changes, the policies already adopted within the Local Plan 2011-2029. Those policies are largely strategic and general in character. The DPD addresses climate change and sustainable construction in more detail and impose standards on developers to meet this council's target of net zero carbon or as close as possible, by 2030 and the government target of meeting net zero carbon nationally by 2050. Where existing local plan policies are changed or replaced by this DPD, these are specified within the draft DPD at section 9.

4.5 Impact Assessments

4.5.1 The Consultation will be undertaken in line with the Council's Statement of Community Involvement (SCI) 2016 approved by Executive in January 2016 and partially updated in 2020 to take into account restrictions put in place due to the Covid 19 pandemic. The SCI specifically seeks to ensure that all relevant sectors of the community are consulted. The Local Plan has been subject to an equalities impact assessment which assessed the implications of consultations on equalities.

5. Budgetary Framework

5.1 The costs of conducting the consultations and reviewing the responses are covered within the existing budget framework. The cost of appointing consultants to drive and manage the DPD process will be covered though the

Climate Action Fund. Other costs associated with the preparation, examination and adoption of the DPD were set out in the Local Development Scheme report.

6. Risks

- 6.1. There are no specific risks related to taking the proposed DPD out to public consultation, although it is anticipated that the consultation will be subject to a range of responses, including concerns that the Council could and should be doing more to deliver sustainable buildings and concerns that the draft DPD proposal will be expensive to deliver and could jeopardise development viability. All comments will be fully considered and if necessary, the DPD will be amended to minimise the risk of the DPD being found unsound.

7. Alternative Option(s) considered

- 7.1. Executive could decide alternatively, to not pursue the production of a DPD given that there will be interventions coming from central government. These include more restrictive Building Regulations and the 'Future Homes Standard'. It is estimated however that it will be the end of 2021 before the Building Regulation proposals for Part L are published and the 'Future Homes Standard' is not due for another 3-4 years. These dates are estimates from the government.
- 7.2. This would mean that there could be another 3 to 4 years of new developments which are not meeting the high standards required by the council, or the targets already promised.
- 7.3. Also, by not pursuing a DPD there would be a continuing number of houses in particular, but commercial buildings also, that would be built without a standard that would reach that target and would then require expensive retrofitting.
- 7.4. The costs of meeting these standards are to be met by the developer, although there may prove to be a need for an in-house, dedicated, sustainability officer to check sustainability statements and other technical information submitted by applicants. The extent is not yet known, but would add a cost to provision of the resources required for the development services team.

8. Background

- 8.1. After the consultation for which this report requests permission to carry out, there are a number of further stages which this document must progress through toward final adoption. These are set out in the LDS and include two further periods of public consultation (one purely on legality and soundness issues) before the document can be submitted to the Secretary of State (SoS) for an Examination in Public (EIP).
- 8.2. The EIP is held by an independent planning inspector appointed by the SoS and can run for a period of several weeks, dependent upon the complexity of the document, the number of representations received and respondents who wish to appear at the EIP.

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- 8.3. Once the EIP has concluded, the Inspector will produce a report which will introduce the main modifications required to be made to the DPD before it can be considered for adoption.
- 8.4. When these changes have been made in line with the Inspector's report, the DPD will need to be agreed by both the Executive and Full Council before adoption can take place.