

NORTH LINCOLNSHIRE COUNCIL

PLANNING COMMITTEE

**Interim Planning Policy relating to Climate Change
And Energy Consultation in relation to new Buildings**

1. OBJECT AND KEY POINTS IN THIS REPORT

- 1.1 To seek approval to the carrying out of public consultation on the establishment of a possible Development Control policy that would require all new housing sites above 5 dwellings or greater than 1000 m2 site area built within North Lincolnshire to comply with the Code for Sustainable Homes level 3 and above on a sliding scale as outlined in the report.
- 1.2 To seek approval to the carrying out of public consultation on the possible creation of a Development Control policy that will require all industrial and commercial premises greater than 1,000 m2 to provide 20% of their expected energy demand from on site renewable energy.
- 1.3 The development of this policy is a key requirement of the Councils adopted Climate Change Action Plan.

2. BACKGROUND INFORMATION

- 2.1 In March 2007 the Council adopted a Climate Change Action Plan (Minute:639 of Cabinet) and pledged to take action on Climate Change through the signing of the Nottingham Declaration.
- 2.2 As part of the package of measures in the Climate Change Action Plan, the Planning Authority was tasked with delivery of sustainable houses against a sliding scale of the Code for Sustainable Homes.
- 2.3 Unfortunately, at present, the planning authority has been unable to implement any requirements on new buildings submitted for approval under planning legislation due to a vacuum in the policy direction between the current Local Plan and emerging Local Development Framework (LDF). This report aims to address this policy vacuum.
- 2.4 Central Government's commitment to reducing the carbon emissions of residential development is clear. It has asked the housing industry to

sign the 'green pledge' to make zero carbon housing a reality within 8 years. The pledge not only sets out that all new houses will be zero carbon rated by 2016 but that in the interim, new houses will be built to increasingly higher environmental standards. Overall our houses account for 30% of all the carbon emissions within North Lincolnshire based on 2005 figures from DEFRA.

3. OPTIONS FOR CONSIDERATION

- 3.1 Planning policy statement No. 1 Planning and Climate Change (Dec 2007) sets out how the Planning System should contribute to reducing emissions and stabilising climate change. Where proposals are inconsistent with the key objectives set out in the PPS, consideration should be given as to how the proposal could be amended to make it acceptable or where this is not practicable, whether or not planning permission should be refused.
- 3.2 A number of Local Planning Authorities have already started to address this issue in relation to the consideration of Planning Applications, notably the London Boroughs of Merton and Croydon. In both these areas developers of major residential or commercial/industrial schemes are required to show how their scheme has been designed to minimise carbon emissions and or provide for on site renewable energy production.
- 3.3 Whilst the Governments pledge with the construction industry is not legally binding the softly, softly approach that they have adopted is being replaced by regulation within a clear time frame. The Code for Sustainable Homes (CFSH) was introduced in April 2007 it provides the present and future framework by which all new house building will be judged. Up until April 2009 all new development by Registered Social Landlords had to be built to level 3 of the Code if it was to receive funding. Social housing built to the code standard brings lower running costs as homes have lower fuel and water bills helping to reduce fuel poverty. From April 2009 this increased to level 4. The Code also came into force this May 2009 as far as the Private sector housing is concerned and it will be a requirement for all housing to have a Home Information Pack containing amongst other things an energy performance certificate and a certified rating under the Code for Sustainable Homes, albeit that there will be an option for builders to simply register a Nil rating against the Code. It is a matter for house builders to take a view about the saleability of such a nil related product in an increasingly environmentally aware house purchasing market where increasingly local planning authorities are requiring compliance with the Code at level 3.
- 3.4 Developers need to embrace this process, as the energy aspects of CFSH will in due course become mandatory under the Building Regulations. There will be a requirement under the Building Regulations, to meet level 4 of the code by 2012 and level 6 by 2016.

- 3.5 From May 2008 the Code for Sustainable Homes introduced new mandatory level of carbon emissions reduction, arranged on 6 levels:
- a. Level 1 = 10%
 - b. Level 2 = 18%
 - c. Level 3 = 25%
 - d. Level 4 = 44%
 - e. Level 5 = 100% (carbon neutral)
 - f. Level 6 – 100% + ancillary equipment and appliances.
- 3.6 Members will see that there is a huge advantage to local homeowners, house builders and architects and designers by taking up the requirements of the Code thereby reducing future carbon emissions as a result. However, the scheme is not without costs, both in adapting premises now to meet the future challenges, i.e. future proofing new houses as best as possible, and in meeting the costs of the assessment regime.
- 3.7 With regards to fees, the councils Building Control team has recently put several staff through the necessary training courses to become code assessors. On this basis they are now in a position to provide an assessment against the code at a very competitive hourly rate.
- 3.8 It is suggested that the Council should now consider imposing an appropriate standard for new house building. This approach is now much more common practice amongst local planning authorities. The requirement to achieve higher environmental construction and energy savings can be pursued through the use of an appropriate planning condition being attached to a planning permission. Although there has been some concern regarding the costs of such a requirement I can advise members that such a condition would be supported by the Planning Inspectorate on appeal. Furthermore many applicants fully agree with the council's ambition in this area and can see lower potential lifetime costs.
- 3.9 The latest guidance from the Government in the form of the Supplement to PPS1 – Planning and Climate Change makes it clear that it is appropriate for planning authorities to anticipate levels of building sustainability in advance of those set out nationally, and it is increasingly the case that authorities are taking this initiative. There may be some concern voiced through housing developers that North Lincolnshire Council has applied an advanced standard and that this may in some way be a negative rather than a positive position to hold.
- 3.10 To be clear PPS1 requires the Regional Spatial Strategy and Development Plans to be kept up to date and in line with national policy.
- 3.11 Although a great deal of work is now underway in respect of the new planning policy framework for the Council, the adopted planning policies of the existing Local Plan still remain for development control

purposes until such time as they are replaced by the emerging Core Strategy and other development plan documents. It is envisaged that the Core Strategy will be adopted in April 2011.

- 3.12 PPS1 advises that in the interim period before the development plan is updated to reflect policies contained in the Supplement to PPS1 planning authorities should ensure that development is consistent with PPS1. The likelihood, therefore, is that as time passes there will be an acceleration of planning authorities that choose to apply the Code for Sustainable Homes ahead of the Building Regulations in 2010.
- 3.13 Everything discussed so far in this report relates to residential properties. However, commercial and Industrial developments in North Lincolnshire account for 48% of our current CO2 emissions. The Government has again introduced a timescale by which all commercial developments will also have to become more carbon efficient.
- 3.14 It is felt that if the Council is going to show a strong community lead on residential development it should do the same for commercial development.
- 3.15 In North Lincolnshire it is suggested that commercial and industrial developments should be expected to generate 20% of the annual predicted energy consumption through on site renewables. In summary it is suggested that the following breakdown should apply:

	Residential			Commercial
	Level 3	Level 4	Level 5	
2009	60%	30%	10%	20%
2010	40%	40%	20%	until the
2013	20%	40%	40%	code for
2016			100%	buildings is
				applied nationally

4. ANALYSIS OF OPTIONS

- 4.1 **Do nothing** and wait for the Code for Sustainable Homes (residential) and the Code for Sustainable Buildings (commercial/industrial) are implemented through Building Regulations in accordance with timescales set out by Central Government.
- 4.2 This is not the preferred option as it abdicates responsibility and does not show strong community leadership in this important area.
- 4.3 In addition North Lincolnshire sits firmly at the bottom of the CO2 league table with respect to National Indicator 186 (per capita CO2 emissions) and as such action needs to be taken now.
- 4.4 **Adopt the proposed policy** outlined in Paragraphs 3.8 and 3.15 above. This is the preferred option as it shows strong community

leadership in an area where we are failing. It will contribute to improving our position with respect to National Indicator 186 and therefore help to deliver against one of the 35 indicators in the local Area Agreement.

5. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)

5.1 No additional financial resources will be needed to deliver the policy outlined in this report.

5.2 It is expected that a small amount of additional income could be generated through Building Control who will be in a position to assess against the CFSH.

5.3 Failure to deliver improvements against National Indicator 186 (per capita CO2 emissions) could affect our ability as a Council to meet our target of reducing the regions CO2 output by 12% over the next three years. Failure on this respect could put in jeopardy any Local Area Agreement reward grant.

5.4 Staffing

There are no additional staffing implications arising from this report.

5.5 Property

There are no additional property implications arising from this report.

5.6 IT

There are no additional IT property implications arising from this report

6. OTHER IMPLICATIONS (STATUTORY, ENVIRONMENTAL, DIVERSITY, SECTION 17 - CRIME AND DISORDER, RISK AND OTHER)

6.1 Environmental

Climate Change is acknowledged as one of the great threats to face us. Even if The Council acts now it is still going to have to adapt to a warmer climate. Not taking action on economic grounds is no longer an option. The Stern review on the Economics of Climate Change concluded that not acting now could cost the country far more in the long term. In fact they estimated that it could reduce the nations GDP by upto 20% in 2100. Progressing with the policy outlined in this report will also contribute significantly to the Councils target of reducing the regions CO2 emissions by 12% over the next three years. This has now been incorporated within the Local Area Agreement.

6.2 Diversity

Fuel poverty is already an issue within North Lincolnshire. Constructing houses that meet the higher levels of the code for sustainable homes will result in considerably lower utility bills when compared against current buildings. As well as reducing fuel poverty now we need to ensure we do not create fuel poverty in the future. Building to the higher code of standards is also about creating properties where people can live in throughout their life. A cradle to grave approach.

6.3 Risk and Other

There are no further implications arising from this report.

7. OUTCOMES OF CONSULTATION

7.1 It is proposed that the proposed policy outlined in this report is the subject of a consultation exercise and the results reported back to this Committee for further consideration.

8. RECOMMENDATIONS

8.1 That consultation is undertaken with all relevant internal and external organisations including publicity in the local press.

8.2 That a further report be submitted to Planning Committee once the consultations reported here have been carried out and assessed.

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Background Papers used in the preparation of this report

- 1) Stern Report – Economies of Climate Change.
- 2) Planning Policy Statement 1 – “Planning and Climate Change” (+ Addendum).
- 3) Climate Change Action Plan.