

**KTC response to the Consultation Draft of the WDC Development Plan Document for Net Zero Carbon July 2021**

We welcome the DPD as a major step towards ensuring that all “all new developments should be net zero carbon in operation” thus enabling the “achievement of national and local carbon reduction targets”. There are several technical areas which we believe may be improved or amended.

**General**

The overall tone of the document is soft. It should be tightened by substituting words such as ‘asking’ with words like ‘must’ to ensure that the policies are given appropriate weight. Phrases such as ‘demonstrates ...have been considered’ (NZC2(B) page 23) should be avoided as they are too vague to be meaningful and allow opponents to the policies to argue for alternatives.

**Policy hierarchy**

The overall policy NZC1 (page 17) is a clearly presented summary of sub-policies but should not include carbon offsetting as one of three critical elements (see below). By presenting offsetting in the first box there is the danger that developers will automatically view this as an option to follow. If offsetting is to play any part of the scheme it should be presented as a footnote to the main points explaining that it is acceptable on only an exceptional basis (see below). A better structure for box NZC1 might be to show or emphasize that there is a hierarchy of requirements to be achieved with the most important being ‘energy efficiency’ through fabric first approaches, followed by ‘zero carbon energy sources’, and then to ‘zero-carbon-ready technology’: developers should not be allowed to pick and mix the different options. There is also no mention in NZC1 of the site and layout of developments despite the phrase “occupants to live in ways that minimise energy demands”. Net zero housing should include the reduction in energy demand that comes with ‘living’ with sustainable active travel. This means considering pedestrian and cycling routes, access to public transport as well as capability to charge EVs.

**Local and National context**

- a) There is no direct mention of local residents as stakeholders (1.1. iv page 6) which is odd given that there has been a WDC People’s Inquiry into climate change. The results of the inquiry should be included in the draft DPD to demonstrate local support for zero carbon housing, especially as the second strongest recommendation was “Every new house must be carbon neutral both in construction and in their future use”.
- b) Biodiversity net gain is crucial for sustainable developments and appears to be coming into the planning process through the new Environment Bill (<https://www.gov.uk/government/publications/environment-bill-2020/30-january-2020-environment-bill-2020-policy-statement> ). However, there is little in the draft about biodiversity net gain, apart from a brief reference (2.2 page 9) to the CCC report on tree planting, peatland restoration and green infrastructure. There is at least one example of good practice where Barratt Homes are working with the RSPB to develop a new nature-friendly housing standard (<https://www.rspb.org.uk/our-work/rspb-news/news/390633-barratt-developments-and-rspb-breathe-wildlife-into-new-build-housing> ).

### **Energy efficiency**

Policy NZC2 (A), as described, seems contradictory in referring to a carbon emissions target of at least 75% reduction figure in a document about achieving net zero carbon. This is essentially saying that up to 25% of emissions will be permitted for offsetting. Also, throughout this section, net zero carbon targets should be defined as energy performance ‘**in use**’, although it is important to stress that SAP does not have any relationship with ‘performance gap’. SAP is a tool to show compliance with a design standard and not ‘performance in use’ thus will not be able to ensure the 75% target.

Reference to the Future Homes Standard (page 20) in this way is inappropriate because it means this consultation is referring to something to be carried out on the basis of another consultation. This approach cannot therefore ensure net zero carbon or even a 75% reduction in emissions as, ultimately, there is no way of knowing what the Future Homes Standard will contain.

Regarding note 5.4 The exception to this list is 'extensions/modifications attached to existing dwellings'. This seems anomalous. Kenilworth Town Council’s planning committee routinely add a non-mandatory condition to planning applications:

*"With reference to the WDC Local Plan policy SC0 “Sustainable Communities” and the Kenilworth Neighbourhood Plan policy KP15 “Environmental Standards of New Buildings”, Kenilworth Town Council requests that the applicants address matters relating to the environmental impact of the development with the aim of the **resulting property, in its entirety, having an improved energy efficiency and water efficiency, where affected, compared to the existing property.**"*

The DPD should carry a similar but mandatory condition for extensions and modifications.

**Energy sources** The mention of ‘hydrogen-ready’ (7.6 page 25) seems optimistic given the Government’s UK recently published Hydrogen Strategy <https://www.gov.uk/government/publications/uk-hydrogen-strategy> that shows no plan for widespread domestic hydrogen use before mid-2030s making it difficult over the next few years (at least) for a developer to interpret what ‘hydrogen-ready’ means. Even if green hydrogen was made available locally by the mid-2030s (and it would have to be green as blue hydrogen would not offer any significant reductions in carbon emissions) this would be too late to contribute to WDC’s declared aim of reducing carbon emissions within Warwick District to as close to zero as possible by 2030 (section 1.1.1 ii). Given these problems, we would recommend excluding hydrogen-ready from the document.

**Carbon offsetting.** Following the science, latest research shows that carbon offsetting through planting trees will be ineffective in reducing carbon emissions within any of the defined national and local timescales to reach zero carbon emissions. It is also unacceptable for developers to offset carbon emissions through payments to WDC. At current prices (48 euros per tonne), a 30 year, 2 tonnes C/yr calculation would require a developer’s payment of just under £2500 per house. Such a modest premium provides no incentive to invest in zero carbon housing and does not make a direct contribution to WDC’s zero carbon targets. In any case, the policy suggests that offsetting should only be applied to occupation and demolition and omits the carbon emitted during the construction phase. It is our view that NZC2(D) should be excluded and there should be a new **Exceptional Basis** clause for offsetting residual carbon emissions (see below) only through payment for on or offsite renewable energy production: i.e. no other form of offsetting will be permitted.

**Viability.** [This is erroneously referred to as Visibility' in the pdf version]. The way this is presented in the draft has the potential to become a get-out clause for developers. DM2 in the current WDC Local Plan is regularly used by developers to downgrade specifications on developments. Therefore, policy NZC2E needs greater definition. Relevant to this is the associated WDC-commissioned BNP Paribas report which shows that the DPD conditions, if implemented, would raise capital costs for house residential construction by 3-6%. This should be referred to in the DPD as a source of evidence for why financial viability cannot be used as an argument. We believe that Policy NZC2(E) should be excluded in favour of inclusion in an **Exceptional Basis** clause (see below). It's worth noting that these figures of 3-6% are in any case unlikely to represent a real cost to the developer as they will normally be absorbed into the agreed price for the land (see BEIS Parliament Select Committee meeting with developers, Q259 onwards <http://data.parliament.uk/WrittenEvidence/CommitteeEvidence.svc/EvidenceDocument/Business,%20Energy%20and%20Industrial%20Strategy/Energy%20efficiency/Oral/98021.html> ). Land sellers are unlikely to balk at the absorption of such small costs especially while house price inflation continues to rise.

### **Exceptional Basis clauses**

We propose at least two Exceptional Basis clauses to capture the issues of financial non-viability and carbon offsetting. There are precedents for this in other currently drafted Local Plans, for example from the Central Lincolnshire draft plan pages 28-29 (<https://central-lincs.inconsult.uk/CLLP.Draft.Local.Plan/consultationHome> ).