PLACE OVERVIEW AND SCRUTINY COMMITTEE



Report subject	Planning Reforms
Meeting date	19 July 2023
Status	Public Report
Executive summary	Government's planning reforms are set out in Levelling Up and Regeneration Bill that is currently proceeding through the House of Lords, with publication expected in late 2023. The Council responded positively to the government consultation on the proposals in early 2023.
	Whilst the Bill continues to be amended it is unclear what the implications will be for the Local Plan. Promised quick changes to the NPPF have yet to materialise and this uncertainty over national policy on housing targets and Green Belt may delay progress with the Local Plan.
	One area that the emerging Local Plan can address is ensuring new development contributes to meeting the climate change target of net zero carbon by 2050. The government's Future Homes Standard is due to be implemented in 2025 and will require homes to be built to reduce carbon emissions by 75-80%.
	The emerging local plan is expected to be adopted by 2025 and its timing will align with this new approach. There is also the opportunity to aspire to higher targets, a key objective of the emerging local plan is to achieve carbon neutrality ahead of 2050.
	This report focuses on the main aspects of emerging policy to ensure that new building address climate change. This report includes discussion on energy efficiency, carbon reduction, water efficiency, sustainable construction and green infrastructure/urban greening.
	Whilst the Council can aspire to go beyond national standards, by introducing policies and standards of its own, there must be a balance. Build costs have soared since the pandemic and housebuilding has significantly slowed with great uncertainty in the economy moving forward. Loading development costs to seek policy outcomes may deter development with implications for the number of much needed homes built. A key question is what government grants will be available to support viability issues in the development industry?

Recommendations	It is RECOMMENDED that:
	The Committee notes the report and comments.
Reason for recommendations	In 2019, the Council declared a Climate and Ecological Emergency recognising that habitats and species have a limit in their ability to adapt to climate change. The commitment has made a pledge to make the Council's operations carbon neutral by 2030 and the BCP area carbon neutral by 2050.
	The emerging BCP Local Plan provides the opportunity to ensure new development achieves these targets and aspires to meet them more quickly.
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Wards	Council-wide
Classification	For Information

Background

- 1. The Bournemouth, Christchurch and Poole Local Plan is being produced to set a new overarching and cohesive development strategy for the area. It will set out how much, where and what type of development will take place across the area, giving the Council control over development decisions. The Local Plan will be critical in helping to deliver the Council's emerging corporate objectives and will help raise the quality of development.
- The Department of Levelling Up, Housing and Communities (DHLUC) is proposing a raft of planning reforms through the emerging Levelling Up and Regeneration Bill (LURB) 2022 that include:
 - A new quicker plan-making process seeing local plans prepared and adopted within 30 months.
 - National Development Management Policies covering issues that apply across most areas and will carry the same weight as local plans.
 - Supplementary Plans would replace supplementary planning documents (SPD) with a requirement to for the Plan to be examined;
 - Environmental Outcomes Reports to replace Environmental Impact Assessment;
 - A new Infrastructure Levy to replace CIL with the charge based on the sales values achieved by the development rather than up front assumptions;

- Replacement of the Duty to Cooperate with neighbouring authorities;
- Mandatory requirement for each authority to produce a design code for its area and which will have full weight in making decisions on development;
- Neighbourhood Priorities Statements to provide communities with a simpler way to set out the community's key priorities and preferences for their local areas.
- Moving away from 'planning by appeal', by giving more weight and certainty to up-to-date local plans by applying protections for the first five years of the plan period;
- Increase in nationally set planning fees and development of planning skills to assist with the nationwide shortage of planning professionals
- New commencement notices when development starts on site, addressing perceptions of 'land banking' and slow build out by larger developers.
- More pre-application engagement by developers with communities to identify issues that often extend the planning application process;
- Penalising developers for failing to build out schemes;
- Allowing residents on a street to bring forward proposals to extend or redevelop their properties, voted for through a referendum of residents from that street, to determine if they should be given planning permission;
- Extend the enforcement period for action from four to ten years;
- New requirements for water treatment companies to deal with phosphates in water courses that impact upon housing delivery; and
- Digital transformation of planning services.
- 3. As well as these planning reforms, the Environment Act 2021 will make it mandatory for qualifying development to demonstrate delivery of a net gain in biodiversity when it comes into force in November 2023.
- 4. The Council response to DHLUC's 58 consultation questions was agreed by Cabinet on 8 February 2023 (<u>Item 120</u>). Government has yet to publish its response to the consultation, nor make the proposed changes to the NPPF, which it had identified for Spring 2023. The LURB Act is currently being debated in the House of Lords, with many amendments tabled.
- 5. This uncertainty over national planning policy has implications for the BCP Local Plan, in particular the approach to setting a housing target in the Local Plan and the protections afforded to the Green Belt. These delays at a national level may cause a delay to the BCP Local Plan timetable, due to lack of certainty about national policy.
- 6. The BCP Local Plan will be prepared under the current local plan making process, rather than wait for the proposed 30-month system that will be introduced in 2025. The Council needs a single local plan to simplify over 300 policies into under 100 policies, provide a consistent approach rather than 3 different approaches, and to adopt an up-to-date plan with a 5 year supply of housing sites to avoid 'planning by appeal'.
- 7. Due to the lack of detail and certainty around these planning reforms, this report focusses on how the emerging BCP Local Plan can ensure new development

addresses climate change. While there are many challenges the BCP Local Plan must address, climate change is one of the most critical issues to consider. However, the LURB does not provide a clear approach for planning system to help meet net zero by 2050.

Addressing Climate Change through planning policy

- 8. Effective spatial planning can help our environment increase its resilience and adaptation to climate change. As it adapts, we must take every opportunity to mitigate the impacts of new development. Our actions must be both complementary and influential if we are to achieve sustainable development and fulfil our legal duties and obligations as set out below:
 - The Planning and Compulsory Purchase Act (2004) requires development plans to contribute to mitigating and adapting to climate change;
 - The Planning and Energy Act (2008) states that policies in development plans can impose reasonable standards that exceed energy requirements of Building Regulations as long as they are not inconsistent with national policy;
 - The Climate Change Act 2008 (as amended by the Target Amendment Order 2019) requires the net UK carbon account for 2050 to be at least 100% lower than the 1990 baseline levels of CO2 for that year; and
 - The UN Paris Climate Agreement (2015) called for countries to act to address climate change and limit global temperature rise to below 2 degrees Celsius.
- 9. This legislation is supported by the NPPF which states that addressing climate change is a core land use planning principle. The NPPF states that the planning system should support transition to a low carbon economy, taking a positive and proactive approach to protect and enhance our environment through appropriate mitigation and adaptation measures to limit the impacts of climate change.
- 10. For plan-making this means promoting development in sustainable locations to reduce the need to travel, aligning growth and infrastructure provision, making effective use of land in meeting needs for homes and businesses and reducing greenhouse gas emissions through a broad range of measures such as requiring energy efficient development and increased use of renewable and low carbon energy and heat. The NPPF also refers to the 17 global goals of sustainable development (2015) which the UK have agreed to pursue to 2030, which together will enable a better and more sustainable future for all.
- 11. Building on the UK commitment, in 2019, BCP Council declared a Climate and Ecological Emergency recognising that habitats and species have a limit in their ability to adapt to climate change. The commitment has made a pledge to make the Council's operations carbon neutral by 2030 and the BCP area carbon neutral by 2050. This means the amount of greenhouse gas emissions produced should be balanced with the same amount sequestered (captured and stored) or offset (made up for by sponsoring carbon activities elsewhere). The emerging BCP Local covers the period 2023-2038 and therefore will provide an important stepping stone in reaching these targets.
- 12. The Council has reduced its operational emissions by 22% since 2019 and is on track to meet its pledge. In the BCP area emissions have only reduced by 3% below the 2017 baseline and it will be more challenging to meet the carbon neutral target for the whole area, therefore a greater push to address that commitment needs to be made.

- 13. Recent changes to the Building Regulations Part L came into effect in 2022 requires new development (including renovations and extensions) to demonstrate 31% reduction in carbon emissions as compared with Part L (2013) emissions. In the same year, a new Approved Document Part O also came into effect to address and mitigate for overheating in residential development.
- 14. The government is committed to further improving the comfort and thermal efficiency of new development by introducing tighter carbon emissions standards through mandatory building regulations for new domestic and non-domestic buildings. From 2025, the Future Homes Standard will require CO2 emissions produced by new homes to be 75-80% lower than those built to current standards. The remaining 20-25% will come from future greening of the national grid. Homes will need to be 'zero carbon ready', with no retrofit work required to benefit from the decarbonisation of the electricity grid and the electrification of heating. Fossil fuel heating (such as gas boilers) will be banned in new homes, with an expected shift to reliance on heat pumps and heat networks.

Implications for the emerging BCP Local Plan

- 15. The NPPF is clear that planning policies must be positive and justified and may be aspirational but should be proportionate and deliverable. The emerging Local Plan sets the challenging draft objective to 'Achieve carbon neutrality ahead of 2050, taking action to combat the climate and ecological emergency'.
- 16. One of the most difficult challenges for the local plan are the current viability issues, with housebuilding significantly declining post pandemic (1,703 new homes in 2019/20, 832 new homes in 2020/21 and 696 new homes in 2021/22), due largely to higher build costs. Therefore, the BCP Local Plan needs to carefully consider what additional policy costs it places upon development, when competing with other policy demands for development to fund affordable housing, infrastructure and flood defences.
- 17. To help address climate change, the emerging BCP Local Plan can require new development to mitigate the impacts of climate change by:
 - Minimising the need to travel by allocating sites and directing development to locations with local services and facilities, or where they are capable of being improved, to help minimise greenhouse gas emissions and maintain air quality;
 - Being designed to maximise energy efficiency and minimise energy consumption to ensure total regulated and unregulated operational energy consumption is reduced;
 - Improving its potential to reduce its overall carbon footprint during construction by assessing the embodied energy in construction methods, transportation, plant and materials;
 - Prioritising the reuse of structures and building facades, demolition materials, recycled materials and/or locally/sustainably sourced low carbon building materials;
 - Adopting water efficiency standards to contribute to reducing consumption of operational water usage, including recycling and reuse of greywater and rainwater to alleviate water stress now and in the future;
 - Supporting the delivery of decentralised community renewable energy schemes including heat networks, district heating schemes and cogeneration technology.

- Supporting renewable energy use and low carbon energy generation in new residential development, conversions and changes of uses and in non-residential schemes;
- Encouraging appropriate infrastructure needed to support sustainable energy production for power and storage, as part of the decarbonising of the Energy grid;
- Ensuring space is provided for electric vehicle charging infrastructure for electric vehicles;
- Embracing technological and innovative advances in digitisation, connectivity, and communications to enable transition to low carbon future.
- Guiding development to areas of lowest flood risk from all sources of flooding (tidal, coastal and fluvial); and
- Use sustainable urban drainage systems (SUDS) to manage surface water (pluvial) drainage and help reduce the risk of flooding, including groundwater flooding.
- 18. The BCP Local Plan can also require new development to adapt to the impacts of climate change and put into action measures which:
 - Reduce urban heat island effect through the use of building materials, trees, landscaping and green roofs to address potential site microclimate impacts;
 - Integrate green and blue infrastructure into the design of developments through approaches including biodiversity net gain and urban greening which will help to reduce carbon dioxide concentrations and other harmful emissions to mitigate the urban heat island effect; and
 - Ensure development addresses flood risk.

Carbon Reduction

- 19. The council's Climate Action Strategy (2023-2028)¹ states that it is currently on track to meet its 2030 operational net zero carbon reduction target, having reduced its scope 1, 2 and 3 direct emissions by 22% since 2019². However, this only accounts for 1-2% of the BCP area-wide footprint. According to current data, released in 2022, BCP area emissions in 2020 rose by 0.7% but were still 3% below the 2017 baseline. It is therefore vital that action is taken to speed up the reduction of area wide emissions to meet the Climate and Ecological Emergency targets and government targets by 2050.
- 20. Future development will be a significant contributor to increased energy demand and increases in CO₂ emissions within our area. Currently the two highest contributors of carbon emissions come from buildings and transport. Buildings in our area produce 56% of the total carbon emissions (excluding emissions for construction and electricity used), with 32% coming from residential development. Transport accounts for 32% of carbon emissions with 20% coming from road users.
- 21. The Council will continue to take a leading role in championing, influencing, and securing carbon reduction with its own operations and produce a corporate strategy which reflects this priority. In the meantime, the Council's Climate Action Plan sets out a range of measures to deliver carbon reduction improvements across a number of strategic themes including; people and communities, business and economy,

¹ BCP Council Climate Action Strategy 2023-2028

² BCP Council Climate Action Programme Action Plan 2023-2025

digital and smart places, transport and travel, water resources and flooding, energy generation and use, buildings and homes, resources and waste, environment and place.

- 22. The Council can ensure that development enhance's the natural environment and respect environmental limits so that resources are not depleted, and carbon sinks and processes are not irreversibly damaged. Sustainable growth should take place with appropriate adaptation measures to enable the environment to be resilient to climate change and mitigate the impacts of development.
- 23. The emerging BCP Local Plan will focus development on brownfield land to protect our environment, conserve and strengthen habitats and species, and promote sustainable management and use of natural assets and resources and rely less on fossil fuel reserves.

Sustainable construction

- 24. The Planning and Energy Act 2008 allows for development plan policies to impose higher energy performance standards beyond building regulations. For residential development, this can be up to the equivalent of 20% above building regulations. There are no restrictions on setting performance targets for non-residential development. The provisions of the Act also allow for plan policies to impose reasonable requirements for a proportion of energy used in development to come from renewable sources. When setting local level requirements, this must be done in a way that is consistent with the government's zero carbon ambitions, viability and in accordance with the outcomes of the housing standards review which includes water efficiency and space standards.
- 25. In 2022 we consulted on the BCP Local Plan Issues and Options. We asked whether new developments should either comply with national building regulations (Part L) or go beyond building regulations (Part L). The respondents were supportive of both options (46% supported option 1, and 85% supported option 2). Most respondents indicated that they would support a higher local energy efficiency standard for all new development. There were further specific comments and suggestions setting out the reasons for preferred Option 2. These included the need for a bigger focus on reducing environmental impact and carbon emissions, the positive impact of energy efficient homes on helping to alleviate fuel poverty. Supporters of option 2 felt that the council should encourage best practice for new buildings, including Passivhaus principles, and ensuring new development uses renewable energy and uses heat networks.
- 26. The Council is building affordable housing to Passivhaus standard and this should set the standard for all housing. It should be noted the Council receives government housing grant to help deliver affordable housing.
- 27. To make homes net zero ready to include solar voltaics, grey water recycling and heat pumps (air source or ground source) to replace traditional gas boilers increases build costs by £6,000 per flat and £9,000 per house.
- 28. Developers are concerned about the viability impact of going beyond building regulations on the delivery of other priorities including affordable housing and infrastructure. They point to that fact that higher energy efficiency will be achieved anyway through implementation of the 2025 Future Homes Standard.
- 29. The Future Homes Standard will come into effect through the Building Regulations in 2025, around the same time as the Local Plan is adopted and becomes Council

policy. The BCP Local Plan will support these changes to the Building Regulations but could go further. For example, the development industry argue that these new government standards will not address finer details of heat loss including thermal bridging, airtightness, ventilation or promote increased use of renewable or low carbon energy as part of the design.

- 30. Due to the limited scope of building regulations to control greenhouse gas emissions during the construction phases or during the whole life cycle of the building, it is important to include policies which recognise methodologies that comply with a holistic approach to environmental assessment including action to reduce carbon associated with materials, construction, transportation and operational periods.
- 31. Through the emerging BCP Local Plan we can require that applicants seeking planning permission demonstrate how the proposed new homes and non-residential buildings include application of the energy hierarchy, through the submission of an Energy Statement which identifies that:
 - The orientation and design of the development uses passive design features to minimise the need for artificial light, heating and cooling, taking design approaches that will minimise solar gain in summer months and maximise solar gain in winter months;
 - The layout of the development maximises opportunities for use of common walls to limit winter heat loss;
 - The design and construction method and materials achieve an energy efficient building, taking a fabric first approach including (but not limited to):
 - Excellent continuous insulation levels to minimise heat loss;
 - No thermal bridging walls floors and roofs are well insulated with no gaps;
 - Triple glazed windows and doors to ensure low thermal conductivity;
 - Airtight construction to ensure no uncontrolled airflow between internal and external environment; and
 - Mechanical ventilation with heat recovery systems to recover heat from used air and transfer it to fresh air coming in.
 - In addition to ensuring low carbon design approaches are taken as part of the energy hierarchy, proposals must address operational heating demand and energy consumption from both regulated and unregulated energy; and
 - Where the development can link a proportion of its energy demand from on-site renewable sources, this opportunity is comprehensively explored and demonstrated.
- 32. We can also require non-residential buildings to contribute towards the Council's net zero target by meeting Very Good or Excellent BREEAM ratings.
- 33. We should set out in policy that we support innovative approaches to address the fabric first approach within the energy hierarchy to new residential and non-residential development proposals. This could include exploring the methodology set out in Passivhaus principles.
- 34. For historic buildings we can encourage the sensitive retrofitting of energy efficiency measures and the appropriate use of micro-renewables, provided they safeguard the special characteristics of the heritage assets for the future.

Water Efficiency

- 35. Climate change is impacting on water supply, both within the natural environment and to water supplies to the public. With regards specifically to public water supply, there is a need to make water supplies more sustainable, efficient and more drought-resilient, due to population growth and the associated increase in development. The abstraction, treatment and subsequent disposal of water requires both water resources and energy. Increasing the water efficiency of new dwellings will help to ensure better water quality, and conserve water resources whilst allowing for growth.
- 36. Further, additional increases in water demand of major non-residential development could place significant impacts on existing infrastructure and water resources. Until Building Regulations are amended to reflect the need for increased water efficiency for all types of development, it is necessary to ensure sustainable water usage is implemented through policy.
- 37. Since the Environment Agency's last report on Water Stressed Areas in 2013, an updated report has been released for 2021, which now includes South West Water (Bournemouth) as an area which is seriously water stressed. This is based on where water resources are being, or are likely to be, exploited to a point which may result in pressure on the environment or water supplies now and in the future. In the event that an area is classed as seriously water stressed, it is possible for the Local Planning Authority to use this evidence as significant weight for applying the need for the reduced water usage of 110 litres per person per day on new residential developments.
- 38. As set out in Government guidance, the Council has the option to impose additional technical requirements on exceeding the minimum water efficiency standard required as part of Building Regulations. Under current Building Regulations, a new build property is required to meet a water efficiency standard of no more than 125 litres per person per day as a minimum. However, there is a further option for a lower usage of 110 litres per person per day to be met, if conditioned through a planning permission.
- 39. Through the emerging BCP Local Plan we can require the design of all new residential and non-residential buildings to maximise and incorporate water efficiency and consumption measures, which should include (but are not limited to) rainwater/greywater recycling, green roofs, low flow taps and showers, low flush toilets, rain gardens and water butts in the construction of new buildings.
- 40. For residential buildings we can implement the optional requirement set through the Building Regulations Requirement G2: Water Efficiency of no more than 110 litres per person per day (or any future updates to the requirement).
- 41. We can also require major non-residential development to incorporate sustainable water usage principles that do not exceed 40-50 litres per day per person.

Renewable/Low Carbon Energy

- 42. Through the emerging BCP Local Plan we can require all development to comply with the following energy hierarchy:
 - (i) Reduce overall energy demand ('be lean')
 - (ii) Maximise energy efficiency ('be clean')

- (iii) Use renewable energy sources to meet its energy needs ('be green')
- 43. We can encourage the use of nature-based solutions including tree planting to enhance climate resilience by supporting natural carbon capture and improving opportunities for increasing biodiversity. Increasing tree canopy cover is an important part of the Council's emerging Tree Strategy.
- 44. The emerging BCP Local Plan can require new buildings, including conversions and change of use should incorporate a proportion of energy use from on-site renewable energy sources. Poole Local Plan (2018) policy requires the following and this approach could be applied across the area:
 - a minimum of 10% on site renewable energy for proposals of 1-10 homes (net) or under 1,000sqm (net) commercial floorspace; and
 - a minimum of 20% on site renewable energy for proposals of 11 or more homes or over 1,000sqm commercial floorspace.
- 45. Requesting the submission of an Energy Statement will be essential. The statement should consider all types of renewable energy utilised on site and demonstrate that the preferred option is suitable for the location and does not cause harm to residential amenity by virtue of noise, vibration, overshadowing or other emissions.

Green Infrastructure

- 46. The Natural Environment is important both in terms of its contribution to biodiversity but also to our health and well-being. The UK is one of the most nature depleted countries in the world and it is essential we look after existing habitats. The challenge in an urban environment like the BCP area is to secure increases in biodiversity, urban greening, tree cover and food growing to boost local food supply.
- 47. Natural England's new Green Infrastructure Framework standards (below) align with several emerging policies within the BCP Local Plan:
 - Urban Nature Recovery Standard aims to boost nature recovery, create and restore rich wildlife habitats and build resilience to climate change. Incorporating nature-based solutions, including trees and wildflowers, into the design of towns and cities will increase carbon capture, prevent flooding and reduce temperatures during heatwaves.
 - Urban Greening Factor for England This planning tool improves the provision of green infrastructure and increases the level of greening in urban environments. The standard is set at 0.4 for residential development, which means there is a target in place for approximately 40% of residential developments to have green and blue spaces, green roofs or green walls. When adopted by a local planning authority it provides clarity about the quantity and quality of green infrastructure required to secure planning approval in a major new development.
 - Urban Tree Canopy Cover Standard promotes an increase in tree canopy cover in urban environments to capture carbon and mitigate flood risk as they absorb excess water during flooding incidents. The standard sets out that major residential and commercial development should be designed to meet locally agreed targets.
 - Accessible Greenspace Standards promote access to good quality green and blue space within 15 minutes' walk from home.
 - Green Infrastructure Strategy Local Authorities should develop Delivery Plans to support the creation and enhancement of new and existing greenspaces.

- 48. The Local Plan is bringing policies forward to address the Urban Greening Factor, increased tree canopy cover standard, Biodiversity Net Gain and support implementing the Council's Green Infrastructure Strategy. The Council is currently preparing an urban greening design guide, a tree strategy and a Biodiversity Net Gain strategy. These strategies will provide important evidence to support the emerging local plan polices.
- 49. Furthermore, the government's 25 Year Environmental Plan, enacted by the Environment Act 2021, identifies the need for a Nature Recovery Network which will set out a national network of wildlife rich places across England to include already designated sites for nature conservation and identify opportunities for enhancement to existing wildlife sites and opportunities to create new sites to provide wildlife rich habitats, corridors and stepping stones. The improvements for biodiversity will also provide benefits in terms of improving landscapes, providing natural solutions to counter climate change, reduce carbon and flood risk and improve health and well-being through better opportunities to connect with nature.
- 50. A Local Nature Recovery Strategy (LNRS) is being worked on in collaboration with Dorset Council that will identify existing habitats for protection and opportunities for enhancement and the addition of further sites to provide good links to the existing ecological network. The LNRS will identify the priority habitats and locations to maximise opportunities for nature recovery.
- 51. From November 2023 the Environment Act will require mandatory Biodiversity Net Gain for all qualifying new development. From a review of past planning permissions this will only account for 18% of planning applications in the BCP area. Therefore, emerging local plan proposes to go further and require all new development to demonstrate how it will make a positive contribution to biodiversity. The Council's Biodiversity Net Gain Guidance note will be published shortly to support this emerging policy and the government launch of mandatory Biodiversity Net Gain in late 2023.
- 52. 21% of the conurbation is covered by trees. This is significantly higher than the average tree cover (14%) for urban local authorities in England and is probably one of the highest levels of tree canopy cover found in an English urban coastal location. Canopy cover though does vary from 7.9% (Poole Town) to 40.1% (Canford Cliffs). Whilst the Council is increasing tree cover on its own land, the pressure from development is leading to a decline in canopy cover across privately owned land and needs addressing to halt this decline.
- 53. The Council's emerging Trees and Woodland Strategy will help to address the reduction in tree canopy with the BCP area. Through the Local Plan we can seek to protect and even increase canopy cover on sites for multiple benefits. To do this we can require applicants to submit a Tree Canopy Cover Assessment with planning applications.

Summary

54. In summary, the emerging Local Plan includes a suite of new policy measures to help address climate change that go beyond current planning reforms. Whilst these policies focus on specific planning applications for new development, the Council will also need to invest in ensuring infrastructure is resilient and adaptable to climate change. A focus on urban greening can help address surface water flood risk, but wider infrastructure projects will be needed to protect the area from coastal erosion and coastal and fluvial flood risk.

55. The challenge for the local plan is ensuring that higher policy costs do not make development unviable or unattractive to developers. The Council must secure CIL and Section 106 from development to adapt infrastructure such as flood defences to protect new development and existing communities. With competing demands placed upon the tight profit margins of new development to fund sustainable homes and essential infrastructure to address climate change, can government help with grant to support development?

Options Appraisal

56. There are no options presented.

Summary of financial implications

- 57. Tougher policies on climate change will add to construction costs but can be balanced against the cheaper operating costs from less heat loss. This applies to both private and Council built buildings.
- 58. The costs of making homes net zero ready is estimated to be £6k-£9k more expensive than current build costs. That excludes the additional potential costs of Biodiversity net gain, urban greening, renewable energy, etc., highlighted above. As discussed current build costs are already causing viability problems and a slow down in homes being built.
- 59. A slow down in house building and commercial development will limit income from new homes bonus, council tax and business rates.

Summary of legal implications

60. There are no legal implications.

Summary of human resources implications

61. There are no human resource implications.

Summary of sustainability impact

62. There are significant benefits of preparing a Local Plan that includes policies to help address climate change.

Summary of public health implications

63. Increasing the tree canopy, access to open space and biodiversity net gain will have significant public benefits to health.

Summary of equality implications

64. There are no equality implications.

Summary of risk assessment

65. The additional policy costs placed upon developers must be factored into viability assessment. Loading additional costs may make development less viable and overall see a reduction in homes built with resulting affordability issues.

Background papers

None

Appendices

None