

READING BOROUGH COUNCIL

REPORT BY DIRECTOR OF ENVIRONMENT AND NEIGHBOURHOOD SERVICES

TO:	STRATEGIC ENVIRONMENT, PLANNING AND TRANSPORT COMMITTEE		
DATE:	9TH JULY 2019		
TITLE:	DRAFT SUSTAINABLE DESIGN AND CONSTRUCTION SUPPLEMENTARY PLANNING DOCUMENT		
LEAD COUNCILLOR:	COUNCILLOR PAGE	PORTFOLIO:	STRATEGIC ENVIRONMENT, PLANNING AND TRANSPORT
SERVICE:	PLANNING	WARDS:	ALL
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1. EXECUTIVE SUMMARY

- 1.1 The Council is replacing its existing development plans (the Core Strategy, Reading Central Area Action Plan and Sites and Detailed Policies Document) with a new single local plan to set out how Reading will develop up to 2036. In order to implement the new Local Plan upon adoption, a new Sustainable Design and Construction Supplementary Planning Document (SPD) is needed, which will replace the existing Sustainable Design and Construction SPD adopted by the Council in July 2011. Once adopted, the new SPD will be a material consideration in the determination of planning applications.
- 1.2 This report seeks Committee's approval to undertake community involvement on a Draft Sustainable Design and Construction SPD (Appendix 1). Community involvement will then be undertaken, and will be considered in preparing a version for adoption.

2. RECOMMENDED ACTION

- 2.1 That the Sustainable Design and Construction SPD (Appendix 1) be approved for consultation.
- 2.2 That the Assistant Director of Planning, Transport and Regulatory Services be authorised to make any minor amendments necessary to the SPD that do not alter the policy direction, in consultation with the Lead

3. POLICY CONTEXT

- 3.1 The Draft Sustainable Design and Construction Supplementary Planning Document (SPD) sets out Reading's commitment to achieving sustainable development and reducing carbon emissions through the planning process. It provides detail on how applicants should achieve the sustainability policies of the emerging Local Plan. This document will play an integral role in achieving Reading Borough Council's aims to reduce and eventually eliminate carbon emissions within the Borough and supports the Council's recent declaration of a Climate Emergency in February 2019.
- 3.2 A SPD cannot make policy on its own, and can only provide detail on how policies in the development plan will be implemented. The existing Sustainable Design and Construction SPD, dating from 2011, expands on policies in the Core Strategy and Sites and Detailed Policies Document. These are in the process of being replaced by the new Local Plan, which is expected to be adopted in October.
- 3.3 Various changes to planning policy proposed in the new Local Plan have meant the need to review the SPD. In particular the SPD sets out detail on how to interpret and implement policies CC2: Sustainable Design and Construction and H5: Housing Standards of the new Local Plan. This is needed in particular because the new Local Plan introduces higher BREEAM standards for non-residential development, as well as a Zero Carbon Homes policy for major residential development.
- 3.4 The Code for Sustainable Homes was withdrawn in a Ministerial Statement by the Secretary of State for Communities and Local Government on 25th March 2015. The Council's existing planning policies which refer to the code, including the existing SPD, can therefore no longer be applied. The Ministerial Statement did not introduce standards around emissions levels and stated that standards other than those in the Statement should not be applied. This approach was carried forward in the revised National Planning Policy Framework (NPPF, July 2018). However, it is worth noting that these clauses in the Statement were based on an expectation that zero carbon homes was to be introduced in the Building Regulations on sites of more than 10 homes by 2016. It was only after the general election in 2015 that this ambition was abandoned. Zero carbon homes is an achievable standard that, until recently, was intended to be a national requirement within the Building Regulations.
- 3.5 Carbon neutral development is being sought elsewhere. The London Plan seeks zero carbon development for both residential and non-residential development, and this came into force on 1st October 2016. Southampton and Milton Keynes are also implementing policies requiring zero carbon

development (require partial offset on-site in tandem with planning contributions). Planning authorities in the West of England have recently commissioned a detailed report¹ which considers the costs and benefits of planning policies to reduce carbon emission with the intention to implement their own policies in the coming months.

- 3.6 In recognition of the Government's focus on avoiding burdens on small developers, in particular noting the possible viability issues, the new Local Plan does not seek zero carbon development on sites of fewer than 10 dwellings. Instead, requirements in line with the equivalent to the Code for Sustainable Homes Level 4 (19% improvement in emissions over the 2013 Building Regulations levels) are required. The proposed requirements have been subject to viability testing of the Local Plan and have not been found to have an adverse effect on overall development viability. The Inspector for the Local Plan has identified a range of main modifications to the plan, as reported to Policy Committee on 10th June, but the introduction of enhanced sustainability standards, including zero carbon homes, is not proposed for change.

4. THE PROPOSAL

(a) Current Position

- 4.1 The existing Local Development Framework is currently supported by the Revised Sustainable Design and Construction SPD (July 2011). The general principles of the July 2011 SPD continue to apply, but the document lacks specific guidance to support proposed policies in the new Local Plan, particularly the zero carbon homes element of Policy H5: Housing Standards. Under policy H5, developers will be required to off-set all carbon emissions on-site and/or make a planning contribution towards off-setting remaining emissions. Given the scale of development in Reading up to 2036, achieving reductions in carbon emissions will not be possible without requiring new development to be built to challenging sustainability standards.
- 4.2 Policies CC2 and H5 in the new Local Plan increase requirements when compared with the existing Local Development Framework, and are stated below:

“CC2: SUSTAINABLE DESIGN AND CONSTRUCTION

Proposals for new development, including the construction of new buildings and the redevelopment and refurbishment of existing building stock, will be acceptable where the design of buildings and site layouts use energy, water, minerals, materials and other natural resources

¹ Centre for Sustainable Energy, “Cost of Carbon Reduction in New Buildings”
https://www.bathnes.gov.uk/sites/default/files/sitedocuments/Planning-and-Building-Control/Planning-Policy/LP20162036/cost_of_carbon_reduction_in_new_buildings_report_publication_version.pdf

appropriately, efficiently and with care and take account of the effects of climate change.

To meet these requirements:

- All major non-residential developments or conversions to residential are required to meet the most up-to-date BREEAM ‘Excellent’ standards, where possible;*
- All minor non-residential developments or conversions to residential are required to meet the most up-to-date BREEAM ‘Very Good’ standard as a minimum;*
- All non-residential development or conversions to residential should incorporate water conservation measures so that predicted per capita consumption does not exceed the appropriate levels set out in the applicable BREEAM standard. Both residential and non-residential development should include recycling greywater and rainwater harvesting where systems are energy and cost effective.”*

“H5: STANDARDS FOR NEW HOUSING

New build housing should be built to the following standards:

[...]

c. All major new-build residential development should be designed to achieve zero carbon homes;

d. All other new build housing will achieve at a minimum a 19% improvement in the dwelling emission rate over the target emission rate, as defined in the 2013 Building Regulations.

[...]”

4.3 At this stage, the examination hearings for the Local Plan have taken place and the main modifications identified by the Inspector did not raise any issues with sustainable design and construction policies. The indications at this stage are that the Inspector’s report will find the new Local Plan with the identified main modifications sound, including both policies CC2 and H5 as stated above.

(b) Option Proposed

4.4 Committee is recommended to approve the Draft Sustainable Design and Construction SPD for consultation. Appendix 1 contains a full draft of the SPD. Consulting on the document now, before adoption of the Local Plan, would enable the sustainability policies in the SPD to be implemented soon after adoption (anticipated for October).

4.5 Many general principles of sustainable design and construction are carried over from the existing SPD, namely dealing with waste reduction, energy

efficiency, trees and landscaping and sustainable drainage systems. The main substantive changes that have been proposed within the draft when compared with the July 2011 version are:

- As stated in the new Local Plan, all major new building housing will be built to a zero carbon homes standard. This means, as a minimum, a 35% improvement over the 2013 Building Regulations plus a contribution of £1,800 per tonne towards carbon offsetting projects within Reading (calculated as £60 per tonne over a 30 year period). Developers will be required to provide additional information as part of a Sustainability Statement that will enable planning officers to implement this policy. This is reflected in revised submission requirements outline in the draft SPD.
- The policy background has been updated to reflect changes to National Policy since the last SPD, including the withdrawal of the Code for Sustainable Homes and the revised National Planning Policy Framework.
- A number of additional amendments are made throughout the document to clarify, correct and amend elements of it, many of which are in response to changing technologies or new national planning guidance.

4.6 Monies generated by S106 payments could be used for local energy efficiency or carbon reduction projects. These may include low carbon heating, retro-fitting and renewable technologies for community building of social housing. This will be considered in more depth alongside a version of the SPD for adoption at a future meeting.

4.7 If agreed, a formal consultation led by the Council is expected to begin in late July and will last for a period of six weeks until early September. Responses received will be considered in preparing a final draft SPD for adoption, which is intended for the meeting of this Committee in November. The consultation will largely be based around making the document available for comment on the website. Public support for the general direction of the policies has already been established during consultations held during development of the new Local Plan.

5. CONTRIBUTION TO STRATEGIC AIMS

5.1 Adoption of the SPD will guide future development in a way that will contribute to achieving the Council's priorities as set out in the Corporate Plan (2018-2021)² through "keeping Reading's environment clean, green and safe."

5.2 This SPD and the subsequent implementation of the proposals set out in the new Local Plan will contribute to achieving Reading's Climate Change

² http://www.reading.gov.uk/media/4621/Shaping-Readings-Future---Our-Corporate-Plan-2018-21/pdf/FINALCorporate_Plan_2018_21webpub.pdf

Strategy (Reading Means Business on Climate Change 2013-2020)³ which seeks to reduce Reading's carbon footprint by 34% by 2020 in comparison to 2005 levels, and the more recent declaration of a Climate Emergency, which will mean moving towards zero carbon by 2030.

- 5.3 Reading has a large proportion of older, largely private-sector housing stock with poor thermal comfort, an over-representation of vulnerable adults and levels of poverty significantly higher than the regional average, therefore a fund that will be focused on retrofitting such accommodation will have significant benefits in terms of Reading's carbon footprint.

6. COMMUNITY ENGAGEMENT AND INFORMATION

- 6.1 The Council's consultation process for planning policy, as set out in the Statement of Community Involvement (adopted March 2014), is that the widest and most intensive community involvement should take place at the earliest possible stage, to allow the community a genuine chance to influence the document. Therefore, significant and wide-ranging community involvement exercises took place during development of the new Local Plan. This established support for the policies and the draft SPD simply outlines details for implementation.

- 6.2 Consultation is expected to last a period of six weeks as described in paragraph 4.8 above. The consultation will involve contacting all individuals and groups on our consultation lists, as well as publication on the website.

7. EQUALITY ASSESSMENT

- 7.1 The Sustainability Appraisal of the Pre-Submission Draft Local Plan incorporates the requirement to carry out a screening stage of an Equality Impact Assessment. A full Sustainability Appraisal that examines the effects of each sustainable design and construction policy has already been completed as part of the Local Plan, and therefore additional Equality Impact Assessment is not required. It is not expected that there will be any significant adverse impacts on specific groups due to any of the protected characteristics.

8. LEGAL IMPLICATIONS

- 8.1 Regulation 12 and 13 of the Town and Country Planning (Local Planning) (England) Regulations 2012 set out the requirements for undertaking consultation on Supplementary Planning Documents, which must last for a period of at least six weeks. Once the SPD is adopted by the Council, it will hold weight in the determination of planning applications for any development in the Borough.

³ <http://www.reading.gov.uk/media/1232/Climate-Change-Strategy/pdf/Climate-Change-Strategy.pdf>

9 FINANCIAL IMPLICATIONS

- 9.1 The SPD has been prepared within existing budgets.
- 9.2 Consultation exercises can be resource intensive. However, the Council's consultation process is based mainly on electronic communication, which helps to minimise resource costs.
- 9.3 The implementation of proposals within the SPD will require additional officer time in order to properly assess Sustainability Statements and achieve zero carbon homes on major residential development sites. However, this is expected to be managed from existing budgets.
- 9.4 It has been considered whether implementation of the SPD may have an effect on house building in the Borough, including the Council's own housebuilding, due to the increased cost of compliance, particularly where zero carbon homes would apply (i.e. for major developments). The cost of compliance is not expected to be significant⁴. The viability testing of the Pre-Submission Draft Local Plan concluded that the policies of the local plan, including the requirement for Zero Carbon Homes within H5, would not detrimentally affect the viability of development. Additionally, it is likely that the costs of compliance will fall steadily over time as technologies are improved, and the costs of running properties will be significantly reduced. It is also important to note that any costs would not be a consequence of the SPD, because the decision to apply zero carbon homes was made as part of the Local Plan, the Pre-Submission version of which was agreed by this committee on 22nd November 2017. The SPD merely sets out some of the detail for its implementation.
- 9.5 It is anticipated that planning contributions collected through implementation of policy H5 will generate some funding for carbon offsetting within the Borough. This is estimated to be a modest amount, but could contribute to existing Council programs, for instance RBC Housing's Winter Watch programs.

Value for Money (VFM)

- 9.5 The preparation of a new SPD will ensure that development is appropriately guided and that significant environmental effects are minimised. Production of the SPD, in line with legislation, national policy and best practice, therefore represents good value for money.

⁴ For example, in 2014 the London Housing Standards Review by the Greater London Authority determined the cost of Zero Carbon Homes compliance to be an additional 1 - 1.4% of base build cost and the viability assessment concluded that this did not represent a significant determinant to viability and delivery of housing. This aligns with the conclusions made by the viability assessment performed on our own Pre-submission Draft Local Plan.

Risk Assessment

9.6 There are no direct financial risks associated with the report.

BACKGROUND PAPERS

- Planning and Compulsory Purchase Act 2004
- Localism Act 2011
- The Town and Country Planning (Local Planning) (England) Regulations 2012
- National Planning Policy Framework
- Reading Borough Council Submission Draft Local Plan
- Carbon Offset Funds, Mayor of London (October 2018)