

## **Matter 13: Climate Change Policies**

### **(Policies CC1-3)**

**Issue 13 - Does the Plan set out a positively prepared strategy and policies in relation to climate change, which is justified, effective and consistent with national policy?**

**13.1 Are the requirements of Policies CC1- CC3 clear, effective and consistent with national policy? In particular:**

**a) In relation to Policy CC1 does the policy go beyond the requirements of national policy and in doing so, is it sound? How will “maximising opportunities” be assessed?**

1. The HBF supports the Council in seeking to reduce the amount of energy used and to improve energy efficiency. However, the HBF considers the effectiveness of this policy to be undermined by Part 1 not being particularly precise in what is specifically required by developers.
2. As has been outlined in our representations to the Regulation 19 consultation, the Council should ensure that this policy is only implemented in line with the December 2023 Written Ministerial Statement (Reference: UIN HLWS120) which states

*“The Government does not expect plan-makers to set local energy efficiency standards for buildings that go beyond current or planned buildings regulations. The proliferation of multiple local standards by local authority area can add further costs to building new homes by adding complexity and undermining economies of scale. Any planning policies that propose local energy efficiency standards for buildings that go beyond current, or planned building regulations, should be rejected at examination if they do not have a well-reasoned and robustly costed rationale”.*

3. This is particularly important given it is expected that Future Homes Standard (FHS) is to be introduced shortly and that this sets out the clear path for developers to work towards net zero. Consequently, the HBF considers it is appropriate to make reference to the FHS and the Building Regulations as the appropriate standards for development, and to seek to use these standards to reduce energy use and improve energy efficiency.
4. In relation to Part 2 of Policy CC1, it states that applications for major development proposals should include an Energy Statement to demonstrate how the net zero greenhouse gas emissions targets will be met, and carbon emissions should be calculated through a nationally recognised Whole Life Cycle Carbon (WLC) Assessment demonstrating actions taken to reduce life-cycle carbon emissions.
5. Again, it is unclear from the policy what a developer would need to achieve to address Part 2. The HBF considers that the Councils may be significantly underestimating the requirements of undertaking a WLC Assessment. For instance, the Councils will have to closely consider how they will be monitored and what the implications are for the preparation of any assessment, particularly in relation to how easily accessible any data is.

6. In addition to this, the Councils will have to take into consideration that much of the responsibility for emissions will lie in areas outside of the control of the homebuilding industry, including material extraction and transportation, occupation and maintenance, demolition and disposal. They also have to consider how the policy will interact with other policies, for example in relation to energy efficiency or resilience to heat, as well as the viability and delivery of development. None of this is explained within the Local Plan.
7. To provide further background information, Aecom on behalf of MHCLG has undertaken a research report on the practical, technical and economic impacts of measuring and reducing embodied carbon in new buildings (see website: <https://www.gov.uk/government/publications/consideration-of-embodied-carbon-in-new-buildings>). They highlight issues with the lack of consistency in reporting on carbon assessment outputs, the quality of carbon assessments, large gaps in the availability of both product specific and generic data, the variation in product carbon results for similar building products and lack of consistency across carbon tools. They also highlight issues with the uptake of lower embodied carbon materials and products due to the costs, risks and insurance, the need to upskill the industry and access to carbon reduction tools.
8. Whilst this report makes recommendations as to how all of the challenges they identify can be addressed, they have not been addressed yet and are not likely to be addressed in the short term. This further underlines the HBF's view that putting in place a requirement to submit a WLC Assessment based on the current knowledge/research would be ineffective.

**b) In relation to CC3 does the policy provide sufficient clarity as to what the energy statement should contain and how the aims of the policy are to be achieved?**

9. The HBF does not consider such clarity currently exists. As outlined in our answer above, the Councils should be working within the nationally set standards in line with the December 2023 Written Ministerial Statement. This provides the consistency and certainty that the housebuilding industry needs. The HBF also maintains its position in relation to the need to undertake a WLC Assessment, as set out in its answer above.
10. The HBF would also observe that parts 3 and 4 of the policy are covered elsewhere in the Local Plan and so do not need to be duplicated here.

**c) Have the requirements of policies CC1-CC3 been appropriately considered within the Whole Plan Viability Appraisal and what are the anticipated cost implications of the policies?**

11. Whilst the Central Lancashire Local Plan Viability Report [IT05] makes an assumption for FHS in its estimated costs, it does not appear to have included a cost for any requirements that go over and above this, such as any requirement which exceeds current Building Regulations/FHS, undertaking a WLC Assessment, producing an Energy Statement, or any costs associated with addressing any issues raised by these assessments (which could be substantial) (see Page 30).