

ORGANISATION	LONDON FIRST
ID	1588
MATTER	M67 MINIMISING GREENHOUSE GAS EMISSIONS, ENERGY INFRASTRUCTURE AND MANAGING HEAT RISK

**M67. Would Policies SI2, SI3 and SI4 assist in creating a healthy city in accordance with Policy GG3 and provide an effective strategic context for the preparation of local plans and neighbourhood plans? How would they affect the implementation of Policies GG4 and GG5 on delivering the homes Londoners need and growing a good economy? Are these policies and their detailed criteria justified and necessary and would they provide an effective basis for development management? In particular:**

**a) In seeking to minimise greenhouse gas emissions does Policy SI2 provide sufficient clarity about the zero-carbon target and how and when it is to be achieved? Is the target justified and consistent with national policy and other policies in the draft London Plan? Are all the criteria and supporting text necessary?**

1. Firstly, London First has reviewed the GLA's proposed minor suggested changes (August 2018) and supports the deletion of the references to "construction" in SI2A for the reasons set out in our March 2018 representations.
2. London First supports the new insertion SI2A (3A) "be seen" where it is practicable to monitor, verify and report ongoing energy performance, but there should not be such an explicit requirement for the *reporting* of energy performance embedded within policy for the purposes of planning. For this policy to be effective, London First believes further guidance is required to determine how and where such reporting should take place, and where the responsibility rests for carrying out energy-performance reporting in use. SI2A (3A) should therefore be further amended as follows:

3A) *be seen: monitor, verify and report on energy performance **where practical and feasible to do so and by the relevant and appropriate parties.***

3. In SI2C, it is submitted that the replacement of “*expected*” with “*required*” should be rejected, and the two deletions of “*aim to*” should also be reinstated. Whilst London First supports the overarching aim of this policy, as set out in our March 2018 representations, the energy efficiency targets of 15% deliverable for all non-residential uses are too difficult to achieve. The evidence base report *GLA Energy Efficiency Target: Development Case Studies (AECOM, 2017)* has only tested a limited scope of non-residential uses to establish this target; only a single office, hotel and school have been analysed, and no industrial or retail uses have been tested. It is also stated on page 37 of the AECOM report that “*it is important to acknowledge that by adopting this single target, not all building types will be able to meet it and this needs to be allowed for in the review of planning applications*”.
4. Taking all of the above on board, at the very least London First submits that the first paragraph of SI2C should read as follows:
 

C     *A minimum on-site reduction of at least 35 per cent beyond Building Regulations is **expected** for major development. Residential development should **aim to** achieve 10 per cent, and non-residential development should **aim to** achieve 15 per cent through energy efficiency measures...*
5. However, London First believes that the wording of SI2C should go further to allow for buildings that, while unable to meet the 10%/15% energy efficiency targets, are still able to meet the overall 35% reduction target.
6. Finally, the insertion at 9.2.5A, which acknowledges that Building Regulations use outdated carbon emission factors, and that this causes uncertainty, is welcomed.
7. However, notwithstanding the above comments on the GLA’s minor suggested changes, our overarching objection to this policy remains. Whilst London First supports the principle of reducing greenhouse gas emissions, London First remains of the view that Policy SI2 should incorporate an alternative definition for zero-carbon which meets internationally recognised standards and allows flexibility in achieving zero-carbon buildings. The UK Green Building Council *Defining Net Zero* task group has a Parliamentary Launch scheduled for 30 April 2019 London First suggests that the GLA should consider the outcomes of this study in refining their approach.
8. London First also remains concerned about the potential impact on the viability of schemes and, therefore, the impact on delivery and achieving the Good Growth objectives set out in GG4 and GG5. In particular, the costs of achieving zero-carbon on non-residential development through a borough offsetting payment are substantial. Whilst the GLA’s viability study tests this, there is a concern that not enough case studies have been used to provide a robust

appraisal and more detailed locational testing of the proposal is therefore required.

9. Finally, London First remains of the view that the level of detail and prescription contained in paragraph 9.2.10 of the draft Plan concerning the content of energy strategies is inappropriate for a Spatial Development Strategy. London First believes that the draft Plan should set out the broader objectives and aspirations in terms of energy considerations, whilst leaving the finer detail to be determined on a site-by-site basis, allowing greater flexibility in accordance with the latest technology, best practice and specific and key concerns of the particular local authority. It is not necessary to have a full page list of criteria for Policy SI2 to be effective.

**b) How are unregulated emissions and whole life-cycle carbon at Policy SI2 DA and DB to be calculated and is this justified?**

1. The GLA's minor suggested changes (August 2018) to Policy SI2 go beyond the remit of 'minor' by introducing two new concepts: calculating unregulated emissions (new insert DA) and Whole Life-Cycle Carbon Assessments (new insert DB). These are designed to capture elements in the lifetime of a development that are not covered by Building Regulations. Whilst London First supports these concepts in principle, London First submits that they create challenges on a practical level.
2. Unregulated emissions are already assessed by calculation tools such as CarbonBuzz. London First raises no objection in principle, but wishes to seek clarification from the GLA as to how they will ensure accuracy with a view to closing the performance gap and also consistency in calculations to allow fair comparisons.
3. At planning application stage, a great deal of the information needed to complete a Whole Life-Cycle Carbon Assessment will not be known to the applicant and their design team. This means the assessment, which is typically assumed to cover a period of sixty years, may be based on a number of assumptions. To avoid this, London First suggests that a specific measurement methodology should be proposed, namely the RICS Whole Life Carbon Assessment for the Built Environment methodology.
4. In conclusion, SI2DA and SI2DB risk adding further complexity to the planning process, which in turn increases costs, causes delay, and undermines delivery. The GLA should set out a clear, standardised methodology for applicants to follow, or express a commitment to the nationally recognised RICS methodology. This, together with clarity on timing and expectations, will ensure consistency of approach, and thus hopefully minimise delays, at a time when

there is an imperative to streamline and speed up the planning process to facilitate delivery.

**c) Are the provisions in Policy SI3 relating to energy masterplans justified? Should they be limited to large-scale development locations and is the list of items to be identified comprehensive?**

1. London First agrees with the approach currently set out in SI3A and SI3B to develop energy masterplans for large-scale development locations such as Opportunity Areas and Town Centres. This scale is appropriate and justified, and the locations should not be expanded.
2. The list of items identified in SI3B is considered to be comprehensive and provides a helpful framework for the production of energy masterplans.

**d) Are the provisions in Policy SI3 relating to major development proposals within Heat Network Priority Areas justified? Is the sequence and content of the heating hierarchy justified having regard, amongst other things, to greenhouse gas emissions?**

1. London First believes it is a positive step forward that combined heat and power (CHP) is no longer the GLA's preferred low-carbon option and the minor suggested changes to SI3D (e) are welcomed.
2. Heat Network Priority Areas have extensive coverage across London and encompass a broad range of locational characteristics. As such, London First remains concerned that the hierarchy approach to heat sources set out in SI3D is unduly restrictive. In order to better respond to the vast range of development types and site circumstances relevant to major applications, it would be more appropriate if SI3D were to present a menu of options rather than a hierarchy. Enhanced flexibility will improve conditions for delivery.
3. The policy, as currently drafted, places reliance on an unregulated sector to deliver low-carbon heat. Anecdotal evidence suggests that whilst the actual energy use in modern buildings is relatively low, the associated operation and maintenance of communal heating systems can lead to higher service charges for residents. The capital costs, other costs of maintenance, and energy strike prices agreed through ESCo concessions are often passed on to residents, leading to higher energy/service costs than those resulting from individual gas boilers. Predicting these costs at the design stage is notoriously difficult and fraught with risk (numbers from SAP aren't reliable for predicting costs). There is currently no regulatory regime to monitor and sanction heat network operators, risking high service charges for residents.

4. Given the legal and technical challenges outlined above, London First submits that SI3D should be amended to present a menu, rather than a hierarchy, of heat source options. Each development and its context are different, and it is important that the right approach for the site is achieved, which delivers the lowest carbon outcome. It should not be necessary for applicants to commission extensive and expensive reports on why different options are not viable.

5. SI3D currently reads:

*D Major development proposals within Heat Network Priority Areas should have a communal low-temperature heating system*

- 1) *the heat source for the communal heating system should be selected in accordance with the following heating hierarchy:*

6. London First recommends that SI3D should be amended as follows:

*D Major development proposals within Heat Network Priority Areas should have a communal low-temperature heating system, where it is deemed appropriate to the development*

- 1) *the heat source for the communal heating system should ~~be selected in accordance with~~ take into account the following heating hierarchy options according to feasibility and viability:*

7. In conclusion, London First strongly supports the need to address London's reliance on the use of fossil fuels for heating and to develop low-carbon heat sources. However, London First remains concerned that Policy SI3 as currently drafted may lead to several unintended consequences, including higher costs to residents through increased and unregulated service charges, and long-term reliance on fossil fuels to provide heating at a time when the electricity grid is being decarbonised.

**e) Would Policy SI4 adequately address the contribution of the design of outdoor space to urban cooling without creating other adverse impacts and does it consider overall thermal comfort?**

1. London First believes that Policy SI4 addresses these issues as well as it possibly can in the circumstances. When applicants calculate potential overheating, the contribution of outdoor space is not normally assessed; it is very difficult to do so because there are numerous external factors. The key focus for any assessment should be external design features, for example

brise-soleil and green roofs and walls. In these terms, SI4 is justified and it would be effective.

**f) What is the justification for the cooling hierarchy as set out in Policy SI4B?**

1. No comment

**g) Do the policies place sufficient emphasis on the use of renewables and energy efficiency?**

1. London First considers that SI2, SI3 and SI4 of the draft Plan do indeed place adequate emphasis on the use of renewables and energy efficiency. The policies provide flexibility for renewables and low-carbon energy infrastructure and opportunities for off-site renewables where appropriate. London First supports the overarching approach.