

Warwick District Council's Net Zero carbon development plan document

Warwick District Council
Monday 24 October 2022

Summary

In Warwick, over 1,000 new homes are built per year, each one adding emissions to the district's carbon footprint. Rather than wait until 2025 for its new local plan to be adopted, the council is creating a stand-alone document to grapple with its growing emissions faster. It's a move with little precedent in local government, but strong public and cross-party support have kept up the pace.

Cllr Alan Rhead, Portfolio Holder for Climate Change, said: "On becoming portfolio holder for climate change in 2019, I made the preparation of this development plan document the council's top priority. I am delighted that we have now completed its preparation and submitted it for the examination.

"I look forward to seeing it applied to new developments from 2023 onwards. This is so important to ensure the district's carbon emissions are prevented from growing as a result of new developments which we can control through the planning process."

The problem

After Warwick District Council declared a climate emergency in 2019, we recognised a shortcoming in our local plan, adopted in 2017. It did not have sufficiently robust policies requiring low-carbon building standards for new buildings. Each year, over 1,000 homes are built in the district, along with extensive commercial developments. This means every new house and building is adding to the district's carbon emissions.

Domestic buildings in the district account for around 22% of its carbon emissions (263ktCO₂e per year). Commercial or industrial buildings account for a further 20%. If over 1,000 new homes are built each year to existing building regulations, this alone is expected to add around 4 tonnes of CO₂ per year, per house.

Our attempts to introduce sustainable building standards through the adopted local plan had been thwarted by new government policy (which was then reversed). So we made it a top priority to strengthen our planning policies. They would require new developments to meet much more stringent building standards in terms of energy demand and generation. To do this we considered 3 options:

- preparing a 'supplementary planning document' (SPD) to support the adopted local plan
- incorporating the standards into the review of the local plan, which is currently underway
- waiting for the Future Homes Standard to come into effect in 2025

We decided against preparing an SPD and waiting for the Future Homes Standard. There were insufficient policy hooks in our adopted local plan, and concerns that the Future Homes Standard may not be as robust as councillors would like.

We will be incorporating the standards into the local plan's review. But the council is unlikely to adopt the plan before 2025. 6 years when we're in a climate emergency is too long, which was another reason we decided against waiting for the Future Homes Standard.

So, we decided to prepare a new, stand-alone development plan document (DPD). This decision came with the knowledge that it would need to go through the challenging process of preparing formal planning policy documents, including an 'examination in public'.

The solution

To help us prepare the DPD more quickly and give it a smoother ride through the examination in public, we decided to streamline its scope. It would focus on operational carbon from regulated energy.

This project is about adopting a new planning policy that can be given full weight in planning decisions to deliver Net Zero new buildings. The objectives of the policy are to:

- provide a clear policy framework that makes it easy for developers to understand what's needed to ensure new buildings are Net Zero in operation
- ensure practical and viable low-carbon building standards that can be applied to new buildings
- support the consideration of low-carbon energy sources as part of development proposals
- provide, as a last resort, the policy framework for addressing residual carbon from new buildings through a robust carbon offsetting policy (learn more in the stakeholder section below)

The draft document's 6 policies cover:

- achieving Net Zero carbon development
- making buildings energy efficient
- zero or low-carbon energy sources and zero-carbon-ready technology
- carbon offsetting
- embodied carbon
- existing buildings

Importantly, all six policies have been subject to a viability assessment. This ensures they won't significantly undermine the viability of development in the district.

Timeline

The DPD had a few false starts in 2019 and 2020 as we tried to work out the best process and scope. Its first consultation draft was agreed in May 2021 and was subject to a regulation 18 consultation between July and September 2021.

The second draft was agreed in early 2022 and was subject to a regulation 19 consultation between April and June 2022.

Following a number of minor amendments, the council approved the submission draft of the DPD on 7 September 2022. You can view the submission documents in the [meeting details](#).

We are expecting the examination in public to take place in late 2022 with a view to adopting the DPD in the first quarter of 2023.

Stakeholders

From a cross-party working group to external consultants, there are several important stakeholders involved in the creation of the DPD:

The project's cross-party working group

The preparation of the DPD has been a political priority and has been supported by a cross-party members working group. This has ensured that the scope, pace and resourcing of the work have been maintained.

Warwickshire County Council

The county council is working with us to develop an accredited local carbon market, in which we'll be able to invest funding we receive through the carbon offsetting policy.

Local carbon market: how it will work

Through the offsetting policy, we will calculate buildings' residual carbon over 30 years and apply a cost per tonne. This calculation will be based on the Treasury's Green Book calculations for carbon offsetting. The cost per tonne will then be subject to a section 106 agreement when developments get planning permission.

Once we receive the section 106 payments, we will pass them on to Warwickshire County Council to implement natural capital projects, offsetting residual carbon. These projects are most likely to be tree-planting initiatives but could include restoring meadows and grasslands too.

To ensure high-quality offsets, the local carbon market will be fully accredited through the Woodland Carbon Code. Warwickshire County Council describes it as 'gold standard' offsetting. The market is expected to launch in April 2023.

Specialist consultants

We recognised the preparation of this DPD would require significant staff capacity as well as specialist technical expertise beyond the typical knowledge of policy planners. We worked with consultants Edgars and Bioregional to provide the planning and technical building knowledge required to ensure the policies are robust.

Local community, public sector, and developers

The DPD has been subject to 2 rounds of formal consultation, with representatives from developers, other public sector bodies, and local communities.

Impact

As the council has not yet formally adopted the DPD, we cannot yet give it any significant weight in the consideration of planning applications. We anticipate this to start from around Spring 2023, at which point all major new buildings will be expected to comply with the policies.

We are aiming for developments to comply by achieving zero carbon without the need for offsetting. Taking account of the full costs of carbon offsetting in setting the carbon offset price has made this more likely. But we recognise that not all cases will meet this from day one.

Our carbon offsetting mechanism addresses this (learn more in the stakeholder section above). We anticipate it will generate significant sums of money in the early years. Warwickshire County Council's emerging local carbon market will invest this money and deliver significant benefits to local natural capital through tree planting and restoring meadows and grassland.

Lessons learned

From affordability to viability, here are some important lessons we learned.

If you want speed you have to compromise

When speed is key, we could not be too ambitious about the policy's scope. This meant we had to compromise on some outcomes, but the trade-off is that we're more confident the examination in public will find the DPD sound.

Use DPDs to strengthen other policies

We have seen this DPD as a 'sticking plaster' to put over the carbon bleeding from the development of new homes. We need to understand it as an interim step and hope to strengthen the policies through the development of the new local plan.

It's neither quick nor cheap

Any standalone planning policy takes a lot of time and a lot of resource. It isn't quick and it isn't cheap. If councils have robust Net Zero standards in an adopted local plan, that would be a much quicker and cheaper route to take.

Viability evidence is vital

Viability was inevitably a major challenge from developers. It was therefore vital to have robust viability evidence.

Public support is central

The public has been really positive about what the council is doing. This has helped a tough project that requires urgency get cross-party political support at all stages (and we are a council with 5 political groups and no overall control).

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The council has directly funded the project, which has cost about £130,000 covering:

- consultants and preparation of evidence: about £100,000
- planning inspectorate's costs: expected to be around £30,000

The project is likely to generate income through the carbon offsetting mechanism. As explained above, this will be spent on local carbon offsetting schemes through the county council's verified carbon market.

Next steps

The next step is the examination in public. With little precedent for this kind of DPD, we are expecting developers to put up a significant challenge, and we don't know how it will be received by the planning inspector. However, we have been careful to demonstrate we are complying with the National Planning Policy Framework and that the work is supported by robust technical evidence.

Links and contacts

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