

**Report of:** Planning Services Business Manager

**To:** Executive Board

**Date:** 19<sup>th</sup> February 2007

**Item No:**

**Title of Reports:** The City Council's response on two consultation documents:

- Changes to Planning Obligations, a Planning-gain Supplement; and
- Planning Policy Statement: Planning and Climate Change and associated documents.

### **Summary and Recommendations**

**Purpose of report:** This report relates to two Government consultation documents. The first is on proposed amendments to Planning Obligations in anticipation of the introduction of a Planning Gain Supplement. It draws out the key issues, comments on the proposals and sets out a recommended response.

The second relates to another Government consultation document regarding a Planning Policy Statement on Climate Change and associated documents. It regards the key issues, comments on the documents and presents a recommended response.

**Key decision:** No

**Portfolio Holder:** Councillor John Goddard

**Scrutiny Responsibility:** Environment

**Ward(s) affected:** All

**Report Approved by:**

Portfolio Holder(Councillor John Goddard)  
Planning Policy Manager (Mark Jaggard)  
Planning Services Business Manager (Michael Crofton-Briggs)  
Strategic Director (Sharon Cosgrove)  
Financial Management (Emma Burson)  
Legal and Democratic Services (Jeremy Thomas)

**Policy Framework:** Oxford Local Plan 2001-2016

**Recommendation(s):**

The Board is asked to:

Approve the responses to the two consultation papers and consultation questions regarding the changes to Planning Obligations and Planning Policy Statement 1 on Climate Change, as set out in the appendices.

1. This report relates to two consultation documents released by Government. A brief background to each paper is included in Appendices 1 and 3, as well as a response to questions contained in each consultation document in Appendices 2 and 4 and 5.

### **Changes to Planning Obligations, a Planning-gain Supplement consultation.**

2. This document relates to the proposed changes to the current system of Planning Obligations. These changes would occur as a result of the intended introduction of a Planning Gain Supplement (PGS), a levy on the increase in land values that can result from the grant of planning permission.

*Comments are invited by a deadline of 28<sup>th</sup> February 2007.*

### **Supplement to Planning Policy Statement 1: Planning and Climate Change**

3. This document is a supplement to PPS1: Delivering Sustainable Development, and emerges within a package released by the Government and which includes two other documents. This package intends to respond to climate change issues and the consultation process regards the three documents.

*Comments are invited by a deadline of 8th March 2007.*

#### **Appendices:**

##### **Appendix 1**

Background to Changes to Planning Obligations consultation.

##### **Appendix 2**

Response to consultation questions.

##### **Appendix 3**

Background to PPS: Planning and Climate Change and associated documents.

##### **Appendix 4**

Response to PPS: Planning and Climate Change consultation questions.

##### **Appendix 5**

Response to *Building a Greener Future: towards zero carbon development* consultation questions.

#### **Name and contact details of authors:**

Lorraine Freeman, Planning Policy [lfreeman@oxford.gov.uk](mailto:lfreeman@oxford.gov.uk) 252178

Tim Hunter, Planning Policy [thunter@oxford.gov.uk](mailto:thunter@oxford.gov.uk) 252169

Marta Soares, Planning Policy [msoares@oxford.gov.uk](mailto:msoares@oxford.gov.uk) 252429

**Background papers:** None

## **Changes to Planning Obligations**

### **Introduction**

1. The Government aims to introduce a new Planning Gain Supplement (PGS) that will capture some of the uplift in value when planning permission is granted. With this in mind, they propose to reduce or “scale back” the range and level of planning obligations (S106) that Local Planning Authorities are able to place on developers. This consultation relates to these changes and the scaling back of the planning obligation system, and not the role or workings of the new planning gain supplement (PGS). However, it may be useful to remember that the proposed system would divorce the PGS collected from the infrastructure requirements of the specific contributing development. Whilst local authorities would receive a share of the development gain generated by PGS in their area they would ‘be free to spend the money as they see fit’.

### **History**

2. In 2006, the City Council responded to a previous round of consultation on this topic. In this response, the City Council raised a number of concerns with the new system. (Report to Executive Board 20<sup>th</sup> Feb 2006). Among these concerns were the fact that Oxford has put a great deal of effort into achieving the present workable situation. Bringing in a new system would mean additional costs, more doubt and may lead to a shortfall in provision of infrastructure. Other concerns were that there were flaws in the proposed system relating to the “trigger” event, the significant costs of administration and the potential for abuse or evasion. The City Council felt that adapting the existing system would be more effective and workable, and that this change was unnecessary and overcomplicated. While the City Council may well still feel that many if not all of these concerns still apply, the issue has now moved on.

### **Response to Consultation Document**

3. The current consultation asks a series of specific consultation questions, to which an initial response from Planning Policy Officers is attached to this report. However in addition to this:
  - Affordable housing (page 15). This issue is dealt with in the answers to question 5 from page 17 of the consultation document, however it is worth drawing attention to Box 8 on page 15 of that document. This looks at a range of different values of contribution a developer would be expected to make towards affordable housing. With the removal of the social housing grant (SHG) from most developments, the value of contribution required towards affordable housing must be the value of land and a contribution to

construction costs. The system chosen must be workable. Irrespective of the percentage option, this is the only system that delivers affordable housing. Housing associations do not have the necessary capital to 100% fund the construction costs of affordable housing (irrespective of whether it is social rented or shared ownership).

- One further issue in this area is that the document still includes reference to a “greater consistency of approach between local authorities”. It would be very worrying if after all the City Council’s efforts to pioneer leading affordable housing policies to address the acute problems of Oxford, any Government ‘rationalising’ resulted in a reduction in percentage for affordable housing being delivered.

### **What happens next.**

4. The Government is inviting comments on this round of consultation by the 28<sup>th</sup> February 2007. A full copy of the document has now been placed in the Members’ room, along with the previous consultation document, and City Councils’ response to it. The document asks for responses on a series of questions. A draft response to these questions is set out in the Appendix 2. If the Government decides to proceed with implementing PGS, further consultation may be necessary, for example on the proposed reforms to the system of planning obligations. PGS would not be implemented earlier than 2009 and transitional arrangements made.

### **Background papers:**

- ODPM Circular 05/2005 Planning obligations.
- Draft South East Plan, Core Document.
- DCLG – Planning obligations: Practice Guidance.
- Audit Commission Report: Securing community benefits through the planning process.

**Planning Gain Supplement (PGS) – Government Response to the Communities and Local Government Committee’s Report**

**Response to Questions Asked in Consultation Document**

**Q.1 Do you agree that a criteria-based approach to defining the scope of planning obligations is the best way forward? If not, what approach would you recommend?**

It is accepted that a criteria-based approach is likely to be more responsive to site-specific circumstances, and is probably the best way forward in the circumstances. This is subject to the proviso that the drafting of the criteria should be as clear and unambiguous as possible, e.g. by ensuring that any words such as 'facility', 'amenity', and 'acceptable' are defined as far as is practicable, so as to reduce unnecessary arguments and potential legal challenges. The wording of the criteria should be subject to further consultation with all relevant stakeholders before being included in legislation."

**Q.2 Do you agree that the scaling back of planning obligations will not undermine the operation of EIA’s for the reasons set out above?**

No: the proposals would limit the effectiveness of complying with the Environmental Impact Assessment Directive as in kind contributions for public and community facilities would no longer be permitted. Provision of open space where no development is permitted will sometimes be required in order to mitigate the impacts on biodiversity, landscape, water, air pollution, noise, micro-climate and archaeological remains, and often the best use of this land will be to use it as public open space.

**Q.3 Do you think that the land for public or community facilities on large sites should be included in the scope of planning obligations in future, or excluded? How should “large” sites be defined?**

Planning obligations are key to obtaining public and community facilities such as open space, schools, clinics, libraries, sports facilities etc. If they are excluded from the planning obligations system there is a real danger that they will get ‘squeezed out’ by those that are, it would also put the needs of finding the fund to purchase the land on the Local Authority. Planning obligations are particularly useful where on-going management is required, as noted in the Good Practice Guide on Biodiversity and Geological Conservation.

The key reason why it is vitally important not to exclude public and community facilities from the planning obligations system is set out in paragraph 35 of the ‘Changes to Planning Obligations’ consultation

paper. This being the case, any gains from more speedy negotiations of the planning obligation would be purely illusory, as a separate set of negotiations would still be required for the public and community facilities. By having two sets of negotiations the system would become more complicated.

It would be difficult in Oxford to define what would be a 'large site' as most of our development is on small sites.

**Q.4 Do you agree with the proposals to establish a clear legal and policy basis for affordable housing contributions?**

The proposals to establish a clear legal and policy basis for affordable housing contributions is supported especially regarding making clear in LDFs about the link between housing need, planning policy and developer contributions. However, this is not considered particularly different from current practice considering that Local Authorities are expected to justify policy requirements for affordable housing contributions (in kind or cash in lieu) with evidence of housing need.

**Q.5 Do you agree with the proposals to establish a common starting point for the value of affordable housing contributions?**

Oxford City Council's Affordable Housing SPD sets out the formula for calculating affordable housing contributions. It is based on the developer contributing an amount equivalent to the value of the land required to provide the mix of affordable dwellings required plus their build cost minus the value normally contributed by RSLs towards the purchase of the affordable dwellings. This ensures that the developer is not contributing part of the value normally contributed by the RSL. The City Council supports a common starting point as it gives clarity to developers regarding the value they can put on the land. This should eradicate the claims of non-viability as the developer should factor in the contribution towards affordable housing when bidding for land or agreeing an option on land.

The City Council disagrees with paragraph 57 where it refers to an off-site contribution being the equivalent value as the common starting point for the on-site contribution. Where off-site contributions are considered appropriate, the developer contribution should be equivalent in *proportional* value in order to reflect the value gained from the developer's ability to utilise 100% of the development site as market housing. An extract from the City Council's Affordable Housing SPD explains: "*A greater contribution is sought from financial contributions to reflect the benefit the developer gains through using the whole site for private market housing (instead of using only half when providing on-site affordable housing as well). It also ensures an equitable distribution of market and affordable housing to meet the needs of the local community. For example, a site of 20 dwellings would normally provide 10 market dwellings and 10 affordable dwellings on site. If, however, it were considered by the City Council and the developer that the provision should be off-site, if the site*

*provided 20 market dwellings, the City Council would require 20 affordable dwellings on another site.”*

If the on-site common starting point was used for off-site contributions as proposed in the Consultation Paper, the result would be fewer affordable dwellings delivered compared to the market dwellings delivered by the development. If it is viable for developers to deliver a certain proportion (as set out in policy) on-site, that proportion should be retained if the contribution is off-site. The City Council cannot see the reasoning behind accepting a lower contribution (resulting in fewer affordable dwellings) if the contribution is off-site.

**Q.6 Can you envisage any unintended consequences of the above approach?**

The main unintended consequence of the common starting point approach has been referred to above in response to question 5 whereby off-site contribution would yield fewer affordable dwellings compared to market dwellings.

**Q.7 What common starting point would you recommend? What would be the impact of this option on a) development viability and b) affordable housing delivery?**

The common starting point that the City Council recommends is that set out in Appendix 5 of the Affordable Housing SPD (copy attached). In Oxford, off-site contributions are only accepted in exceptional circumstances. However, in those exceptional circumstances, it is considered to give clarity to developers. Land value clearly varies widely across the country. In calculating the value of the land required to develop the affordable dwellings, the City Council would seek latest information from the District Valuation Office.

**Q.8 Do you agree that measures to implement Travel Plans and demand management measures directly related to the environment of the development site should remain within the scope of planning obligations?**

The City Council agrees in principle with the proposal made. However there should be clearer guidance in future on how S106 Agreements can be used to *effectively* implement, monitor and enforce Travel Plans (TPs), including a more robust and updated policy framework. (e.g. on standard clauses to impose sanctions or further incorporate best practice experience; also resource issues for monitoring and enforcement. There should also be more guidance on S106 Agreements relating to residential TPs, which differ from workplace and school TPs.

It is assumed/hoped that such as contributions towards controlled parking zones (CPZs), or towards amendment of a traffic regulation order to exclude a property from a CPZ, are included in this definition, as these are generally site-specific issues.

**Q.9 Which of the above options for developer contributions to transport infrastructure should the Government pursue in order best to balance the objectives of;**

- **Managing demand for road transport;**
- **The need to ensure network improvements are provided in a timely manner;**
- **The need for transport impacts to be dealt with on a cumulative and strategic basis alongside other forms of infrastructure; and**
- **The need to create a scope for planning obligations which is sensible and consistent and does not lead to delay? Are there any other options?**

Responsibility for highways works under S278 payments is the responsibility of the County Council as Highway Authority in Oxford. The City Council would normally expect such contributions to relate to site-specific accessibility improvements as described in Option B of the consultation paper. With regard to Section 106 funds relating to the highway, these would in any case generally be used only for developing sustainable travel infrastructure (including Park and Ride). The City Council would prefer such contributions to also remain within the scope of planning obligations, as

- a) contributions can be adjusted to take account of site accessibility and TP measures proposed,
- b) the Local Planning Authority is likely to retain more control on where the money is spent (e.g. on local improvements benefiting local communities); and
- c) there may be linkages between site and wider strategic improvements – synergy between the two might be lost with two separate funding streams.

**Q.10 Do you agree with the proposal to define the new scope for planning obligations for non-road infrastructure as described above i.e. those contributions required to allow “connection to access points”, but to exclude more strategic contributions or those which are better dealt with on a cumulative basis?**

The City Council would have some concern over the rather prescriptive division of funding sources between site layout and connectivity (as defined in paragraph 78 of Consultation Paper), and strategic transport improvement to mitigate the impact of development. For example, currently funding may be sought towards improving a section of the cycle network which, whilst not necessarily connecting with a development directly, may nevertheless be necessary to ensure adequate access by cycle, whilst also adding to the strategic cycle network. Such schemes may fall between ‘development site environment’ planning obligations and PGS being spent on sub-regionally significant strategies (e.g. bus network improvements) –



particularly where the priorities of the District and County Councils differ.

Similarly, there may be confusion caused by distinguishing between some on-site improvements to infrastructure (including TP measures), and off-site PGS funded schemes. For example, how would one ensure adequate improvements to bus services to a development site which required subsidy, when there were competing demands on the PGS fund from higher priority service improvements elsewhere (perhaps of a more strategic nature)? It would be difficult to secure a planning obligation with developer to provide, for examples, bus stops, if the PGS monies secured were likely to be later spent on improving services which did not serve the development.

The City Council would prefer to see pooled contributions, which could be spent on improving local facilities such as cycle links, pedestrian crossings and the public realm, where this would help address the impact of cumulative development.

**Q.11 Do you agree that in future all planning obligation contributions, including towards highway works, should if possible be made under a single agreement, to which highways authorities would also be parties where relevant? Do you see any downsides to this approach?**

The City Council would support in principle the idea of a single agreement, if the local planning authority were to be the lead authority. However there would have to be statutory arrangements to ensure this did not mean a greater burden falling on the local planning authority in terms of administering the process, particularly given it generally has less expertise on highway matters than the local highway authority. There needs to be greater clarity as to how contributions sought by other parties (e.g. the Highways Agency) would fit into the new system. Would they be able to claim a portion of the PGS paid from certain developments (and how would these be defined?)

**Q.12 Do you agree with the proposal to reinforce the current policy presumption that planning obligations should only be used where it is not possible to use a planning condition, but not to provide for this legislation?**

The City Council agree that planning conditions should be used where possible, but do not feel there is a need for legislation as this process is used as best practice. There should be clarification on best practice for Affordable Housing.

**PPS: Planning and Climate Change and associated documents**

1. The government has recently released a set of documents that together are intended to play a pivotal role in tackling climate change and helping to push for a 'greener future'. This package includes a draft Planning Policy Statement (PPS) on climate change, a Code for Sustainable Homes and a timetable for action entitled 'Building a greener future: towards zero carbon development'.
2. As a supplement of PPS1: Delivering Sustainable Development this new PPS on Planning and Climate Change stands within the Core principles of the planning system. The guidance urges us to face the issue of climate change and for planning to act accordingly. The government pledges to tackle climate change on two fronts: to mitigate the causes and, at the same time, change existing patterns to adapt to future impacts. Alongside the objectives and principles for tackling climate change, the document sets out the main strategic lines to be adopted by planning authorities at different levels, including:
  - The need to establish regional trajectories for carbon emissions by Regional bodies;
  - Set higher standards through Development Plans (where the opportunity arises and particularly with regard to major developments);
  - Removes restrictions on low carbon and renewable energy projects;
  - Re-emphasises the use of criteria-based assessment to identify land for development;
  - The use of Local Development Orders at the local level;
  - Climate change as a material consideration in decisions and planning process.
3. In Oxford, most of the measures proposed in the PPS are already covered and being implemented through policies, including:
  - Reducing the need to travel through a sequential test;
  - Flood Risk Assessments;
  - Protection of biodiversity from development impacts;
  - Efficient use of land;
  - Requiring energy efficiency solutions (covering mitigation and some adaptation to climate change);
  - Requiring 20% energy provision on site from renewable energy sources from major developments.
4. The Code for Sustainable Homes introduces new minimum standards on energy efficiency, carbon emissions and water efficiency<sup>1</sup>. These

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<sup>1</sup> Other environmental considerations are also rewarded within the Code (i.e. sustainable construction materials, recycling facilities, etc)

standards have different levels of performance, from level 1 up to level 6, where the lowest level of the code (level 1) is already above existing Building Regulations<sup>2</sup> standards. For the energy and water efficiency categories there are minimum standards even at the lowest level of the code. However, the Code is voluntary. Therefore, despite the proliferation of an environmental consciousness and consequent demand for more sustainable products amongst consumers, its implementation relies entirely on developers' commercial interests or good will to incorporate sustainable solutions into their developments.

5. The third document, 'Building a Greener Future: towards zero carbon development', sets out the Government's target for zero carbon development, the timetable for delivery and the articulation between these three different documents. To achieve its target, the Government proposes to take a three-step approach, which gradually builds towards zero carbon housing by 2016. This approach is based on improving the Building Regulations standards by 25% by 2010, 44% by 2013 and finally zero carbon<sup>3</sup> by 2016.
6. The Government's package proposes to deal with climate change issues through the implementation of these three documents. However, as suggested above there are certain limitations to these proposals.
7. The Government's argument is mainly based on housing delivery and expected increases in new housing in coming decades. The proposals reflect this in their focus on the housing sector and particularly new homes.
8. However, in the UK this sector accounts for only approximately 27% of carbon dioxide emissions and this percentage drops considerably when we look at the contribution of new homes to carbon emissions.
9. At present in Oxford the existing housing stock consists of approximately 55,500 dwellings and current housing targets<sup>4</sup> will represent, at most, an increase of around 8,700 dwellings in the next 20 years. It is clear then that although we should prepare new homes according to improved standards, this only addresses a relatively small part of the problem. The existing housing stock, which is the biggest contributor to carbon emissions within the sector, is not covered by the guidance.
10. Further, the Government's three-step approach to improving energy standards through Building Regulations also considers only new homes and delays increasing national standards until 2010.

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<sup>2</sup> Building Regulations: Approved Document L (2006).

<sup>3</sup> Zero carbon home – the net carbon emissions from energy use in the home is zero over a year (the energy provided by renewable energy sources is equal to the energy used in the house).

<sup>4</sup> The south East Plan sets out a target of 350 dwellings per annum while the Oxfordshire Structure Plan and Oxford Local Plan have a target of 433 dwellings per annum.

11. Additionally, the PPS guidance fails to take the opportunity to significantly raise renewable energy provision targets, requiring only 10% of energy provision from renewable sources.
12. Furthermore, the voluntary nature of the Code, together with the absence of improved national standards, will reduce the likelihood that higher standards of energy efficiency be introduced onto developments.
13. Overall, there is no doubt that the Government's proposals intend to break with existing patterns and placing climate change in the centre of planning system. However, considering the urgency of addressing climate change and working towards its mitigation and adaptation, the whole package could propose much more. Targeting other polluting sectors, establishing more stringent and far-reaching standards for Building Regulations, setting a higher benchmark for the provision of renewable energy and making the Code mandatory are some of the suggestions that might help to achieve the government's ambitious targets.

#### **Background papers**

- Draft PPS: Planning and Climate Change, DCLG (December 2006)
- Building a Greener Future: towards zero carbon development, DCLG (December 2006)
- Code for Sustainable Homes – a step change in sustainable home, building practice, DCLG (December, 2006)
- Planning Policy Statement 26, Tackling Climate Change through Planning: the Government's Objectives, discussion document, TCPA and Friends of the Earth (September 2006)
- *Achieving zero-carbon development*. The journal of the Town and Country Planning Association, January 2007, vol. 76 number 1.

**PPS: Planning and Climate Change - consultation questions**

**Q1. There is an urgent need for action on climate change and we consider that, used positively, spatial planning has a pivotal and significant role in addressing this challenge. We will provide practice guidance to help implement the planning policy for climate change set out in the PPS. Read together, and as part of the wider package of action being taken forward by the Department in Building a greener future to help deliver the Government's ambition of achieving zero carbon development, will the new policy and proposed practice guidance secure planning strategies that deliver reductions in emissions and shape sustainable communities that are resilient to the climate change now accepted as inevitable?**

Yes.

**Q2. The PPS sets out Key Planning objectives and decision-making principles for the preparation and delivery of spatial strategies by regional planning bodies and all planning authorities. Do you agree with these?**

Yes.

**Q3. It is proposed that climate considerations should be a key and integrating theme of the regional spatial strategy (RSS) and be addressed in conjunction with the economic, social and environmental concerns that together inform the overall spatial strategy and its components. Do you agree?**

Yes.

**Q4a. The PPS expects regional planning bodies (RPBs) to consider the likely performance of RSS on mitigating climate change. In doing so, the PPS makes clear that this should be a key part of the sustainability appraisal, which should be used to identify and evaluate possible tensions or inconsistencies between current, or likely future, baseline conditions and securing RSS in line with the Key Planning Objectives, in the PPS. Do you agree with the suggested approach?**

Yes.

**Q4b. The PPS encourages RPBs, as part of their approach to managing performance on carbon emissions, to produce regional trajectories, to be set out in RSS, for the expected carbon performance of new residential and commercial development. Do you agree with the suggested approach?**

It is important to define trajectories that can be used to assess the performance of implemented policies on climate change. However, the way to prepare and achieve those trajectories is not clear. Hopefully the following guidance will be clearer in that respect.

**Q5. We propose an approach to the identification and allocation of sites and areas for development in which priority should be given to those likely to perform well against the criteria set out in paragraph 19, and that those that perform badly should not normally be considered for allocation for new development. Do you agree with the suggested approach?**

Yes. This approach will allow a more integrated way of assessing land for development.

**Q6. The PPS expects local planning authorities to assess their area's potential accommodating renewable and low-carbon technologies, including for micro-renewables to be secured in new residential, commercial or industrial development.**

**Q6a. Do you agree that local planning authorities should consider allocating sites for supplying renewable and/or low carbon energy and supporting infrastructure, taking care to avoid stifling innovation?**

Yes.

**Q6b. Do you agree that local planning authorities should ensure that a significant proportion of the energy supply of substantial new development is gained on-site and renewably and/or from a decentralised, renewable or low-carbon, energy supply?**

Yes. Oxford, for example, has a policy approach which requires 20% of energy on site to be provided by renewable energy sources.

**Q6c. Do you agree with the approach for setting out, in a development plan document, a significant proportion of the energy supply of substantial new development to be gained on-site and renewably and renewably and/or from a decentralised, renewable or low-carbon, energy supply?**

Yes. Any existing or arising opportunity to provide considerable energy supply from renewables/low-carbon sources from new development should be regarded in DPDs.

**Q6d. Do you agree that in the interim period before 'a significant proportion' is tested and defined through the preparation and adoption of a development plan document a standard of 10% should be applied?**

Yes. Providing the Government assures that 'a significant proportion' is considerably higher than the interim 10% of energy provision from renewables.

**Q7. The PPS forms part of a wider package of action being taken forward by the Department to help deliver the Government's ambition of achieving zero carbon development. This includes the *Code for Sustainable Homes* and a consultation document, *Building a Greener Future*, which sets out how Planning, building Regulations and the Code for Sustainable Homes can drive change, innovations and deliver improvements to the environment.**

**Q7a. Do you agree that, for the reasons set out in *Building a Greener Future*, there should be a national strategy for regulating the emissions from buildings supported by local promotion of renewable and low-carbon energy supply?**

Yes.

**Q7b. Does the framework that we describe give adequate room to authorities and developers to make best use of the opportunities available at different spatial levels, for example district heating and district cooling?**

Yes. However, the existence of further incentives by the government (i.e. tax credits) to those adopting and working towards more sustainable solutions could help to promote the up take of this type of solutions.

**Q8. Paragraph 35 of the PPS expects planning authorities to consider the environmental performance of proposed development, taking particular account of the climate of the development is likely to experience over its expected life. Do you agree with this approach?**

Yes. The criteria proposed on paragraph 35 will ensure that energy efficiency measures (i.e through sustainable design), waste and recycling facilities' provision and some adaptation measures to climate change (i.e. use of natural shading and shelter) will be implemented in future development.

**Q9. We consider effective monitoring and review is essential in securing responsive action to tackle climate change. Do you agree that the expected annual monitoring should include outcome performance against the carbon performance trajectories or other yardsticks for identifying trends in performance, and renewables targets set in RSS?**

Yes. However, it is still not clear how this will be achieved, particularly regarding carbon performance trajectories.

**Q10. Do you consider the proposed scope of the practice guide (at part 3) covers all the topics it needs to? If not, what is missing, and why? Does the proposed scope of the practice guide include topics which don't need to be covered? If so which, and why?**

Yes. The proposals for the practice guide seem to cover most of the pertinent issues necessary to implement the PPS's proposed policies.

It is important to highlight the importance of certain topics within the draft guidance that will be extremely important to achieve the objectives set out on the PPS, including the guidance for local planning (i.e. use of Local development Orders, monitoring performance and review), determining/preparing planning application and preparing Development Plan Documents.

**Q11. The Partial RIA (at part 4) sets out the likely benefits and costs of the PPS, assessing two options, (i) the 'do nothing' option and (ii) implementation of the PPS. Are these options viable? Would you add to/change the disadvantages of each? Are there any other options that should be considered?**

No comments.

**Q12. The Partial RIA sets out potential impacts by stakeholder. Would you add to/change the impacts for each group? Are any stakeholders missing from the list?**

No comments.

**Q13. The Partial RIA sets out the likely benefits and costs of the PPS. Do you agree with assumptions made? If not, it would be helpful if you could set out why not and provide any quantifiable evidence available to you on benefits and costs.**

No comments.



**Building a Greener Future: towards zero carbon development  
Consultation questions**

**Q1. Are we right about the need for new housing to lead the way in delivering low-carbon and zero-carbon housing, and is it achievable in the timescale we have set out?**

We believe that new housing is a good way of breaking through to introduce low-carbon housing and aim towards zero-carbon housing. However, we are not sure that the target for zero-carbon housing by 2016 will be achievable due to possible lack of capacity in terms of renewable energy supply. Also, we believe that the narrow focus on new housing ignores the significant contribution of existing housing stock for carbon emissions.

**Q2. Have we got the assessment of costs and benefits right?**

Yes. The improvements considered towards the reduction of energy consumption within new homes will be mostly beneficial in terms of cost-benefits, especially because the initial construction costs to meet the energy standards set out by the Government will be compensated, through time, by the reduction on energy bills.

**Q3. Have we got the balance right between the contribution of the planning system and that of buildings regulations? Are there other policy instruments we should consider? Are there ways in which we can design our policy instruments to achieve the same goals more cost-effectively?**

We believe that in general the contribution of the planning system is adequate. However, more comprehensive and cross sector Building Regulations' standards should be introduced to guarantee a higher baseline for energy/carbon improvement.

The importance of improving Building Regulations standards is emphasised by the fact that the Code for Sustainable Homes is only voluntary.

The Government's guidance should be more stringent in use of existing planning instruments i.e. planning authorities to require more than 10% of energy provision from renewable sources. Oxford, for example, has a policy approach which requires 20% of energy on site to be provided by renewable energy sources.

**Q4. Are there significant solutions to climate change that our policy framework does not encourage and are there other things we should be doing to address this?**

The PPS guidance should use this opportunity to significantly raise renewable energy provision targets, requiring only 10% of energy provision from renewable sources. The Code for Sustainable Homes could also be made mandatory to guarantee the successful uptake of sustainable features.

**Q5. Are we right in our assessment of what we should seek to achieve through the planning system and through building regulations? Are there other policy instruments we should consider?**

Generally, the PPS proposes most of the measures that planning can deliver in terms of climate change although, and as referred previously, the guidance could require more than 10% of energy provision from renewable sources. Regarding Building Regulations we believe that more should have been proposed, including improving these to more comprehensive and cross sector standards (please see response to question 3).

**Q6. Are there areas of duplicative – or even conflicting – regulation in the framework that we have described? Do these threaten to get in the way of meeting the goals we have set?**

No.

**Q7. Do you agree that all new homes should receive a rating against the standards set out in the Code for Sustainable Homes should be a mandatory from April 2008?**

Yes. Since the Code is not mandatory, requiring that all new homes should be assessed against the code rating might promote some up take of sustainable features by developers. Nevertheless, it is our belief that to truly push things forward the Code should be made mandatory.

**Q8. Do you believe that our timetable for delivering zero carbon development through more stringent Building Regulations is sensible and achievable, too stringent, or not stringent enough?**

The timetable could be adjusted to assist in more immediate improvements by targeting new homes, more gradual increases to allow sufficient time for the necessary energy supply from renewables to take place, and by targeting other sectors to tackle climate change in a more efficient way.

**Q9. Do you think our assessment of the costs of achieving these targets is realistic? Can you offer additional supporting evidence on costs?**

No comments.

**Q10. We believe that a zero carbon target is the most robust framework for reducing the carbon footprint of new development. Do you agree that our definition of zero carbon in paragraph 2.33 is the right approach? Where there are circumstances in which the additionality of offsetting**

**measures outside the development can be demonstrated and are more cost-effective (e.g. on small infill developments), is there a case for carbon neutrality (i.e. taking account of offsetting measures)?**

Yes.

**Q11. Does the framework that we describe give adequate room to authorities and developers to make best use of the opportunities available at different spatial levels, for example district heating and district cooling?**

Yes. However, the existence of further incentives by the government (i.e. tax credits) to those adopting and working towards more sustainable solutions could help to promote the up take of this type of solutions.

**Q12. Do you agree that, for the reasons set out, there should be a national strategy for regulating the emissions from buildings supported by local promotion of renewable and low carbon energy supply?**

Yes.

**Q13. Are we right to assume that our twin goals – of delivering the new homes that are needed and reducing emissions from the housing stock – will be achieved more effectively by relying on national standards (i.e. Building Regulations and the Code) that through encouraging earlier action by individual local authorities?**

Yes. The whole concept is correct but the means of implementation could be adjusted through new Building Regulation standards capable of achieving not only the Government's target of zero carbon homes by 2016 but also, and more important, by delivering improved standards to existing houses subject of an alteration (through planning application) or sale (through emission of certificates).

**Q14. Given that the proposed PPS on climate change will apply in England but not in Wales, are there any specific implications in Wales for the future direction of Building Regulations implied by this consultation?**

No comments.

