

# The London Plan's Zero Carbon Standard

Supporting the Boroughs





# Context

Delivering 'Zero Carbon' through on-site emissions reductions targets, carbon pricing and offsetting. (2017)

Interview: designers, M&E, planners.

- How are these policies being applied?
- Are they working & delivering?
- What do we need to do more of?
- What do we need to be stronger on....?
- What are the barriers to be addressed?

# Key borough findings

- The price of carbon is fairly consistent across London despite Boroughs ability to establish local prices - £1,800/t
- The Zero Carbon Target is not being applied constantly across all boroughs
  - Variation in the collection of COF – lots of boroughs yet to collect anything
  - Variation in the level of on-site emissions reductions being secured
  - Variation in the level of COF that have been invested (but mostly low)

<b>Average on-site emissions reductions</b>	<b>0% - &lt;15%</b>	<b>25% - &lt;30%</b>	<b>30% - &lt;35%</b>	<b>35% - &lt;40%</b>
Number of boroughs	4	2	4	13

## Carbon Offset Funds Across London (Summer 2017)

Total Collected, across 13 boroughs

£9,344,197.74

Collected within the last 12 months, across 10 boroughs

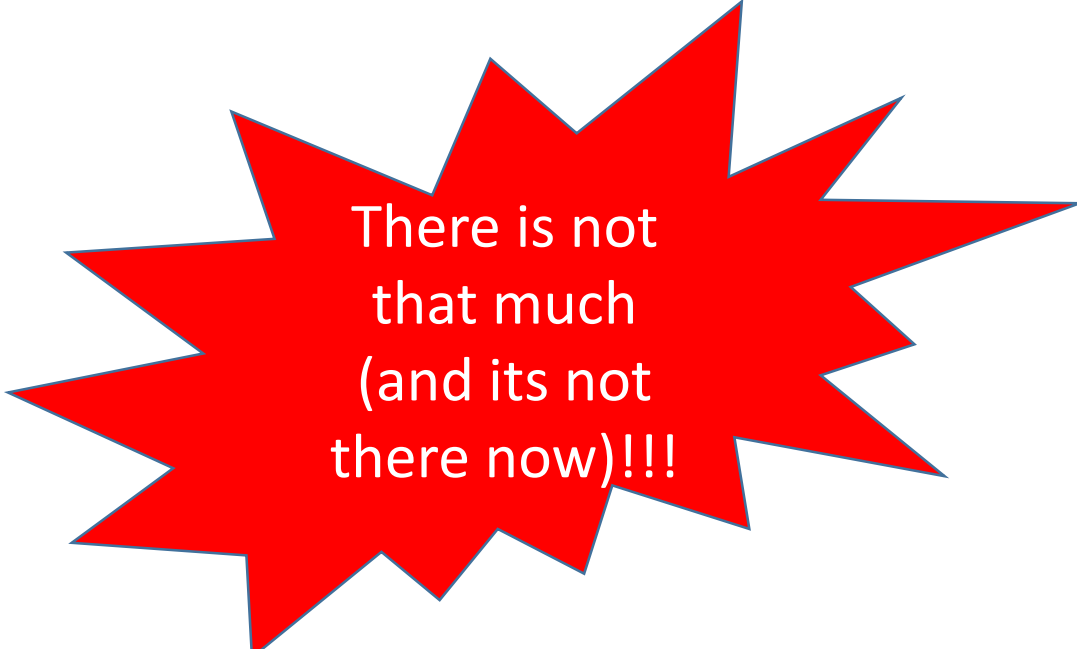
£3,137,547.74

Secured but not yet collected, across 10 boroughs

£19,698,931.00

Spent, across 7 boroughs

£1,339,690.00



There is not  
that much  
(and its not  
there now)!!!

# Key designer Findings

- Maximum realistic performance that can be achieved:
  - zero carbon dwellings is 55-60%
  - zero carbon non-dwellings is 40-45%
  - zero carbon retrofitting varies from 30-60% depending on the development
- Local Planning Authority Officers as the driving force behind enforcing zero carbon policy – but often 1 individual
- Current Carbon Price – often cheaper to offsetting than add renewables

# Recommendations from the Boroughs and Designers

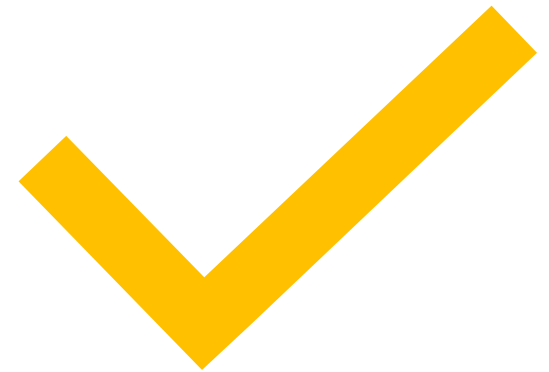
## Stronger Policy Direction

- Boroughs are keen to keep control of spending their carbon offset funds, but would welcome a stronger position from the GLA on carbon policy.
- Stronger leadership and implementation of the policy across London will lead to increased levels of funding being brought into boroughs. This could enable the delivery of match funded projects through the likes of LEEF funding or Green Investment Bank.
- GLA could reference the expected amount in their stage 1 report.



## **Increase the cost of offsetting**

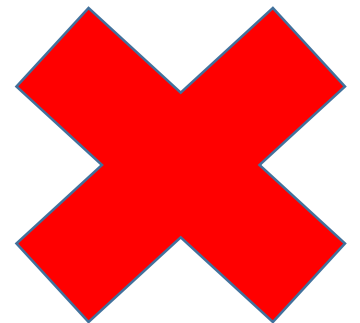
- Balance between reflecting the reduction in the floor price of carbon, and an appropriate price reflecting abatement costs i.e.: cost of investing in retrofitting existing stock.
- If you increase the cost of offsetting to say £3,600 per tonne, the industry believes this could act as a tipping point for developers to deliver higher savings on site





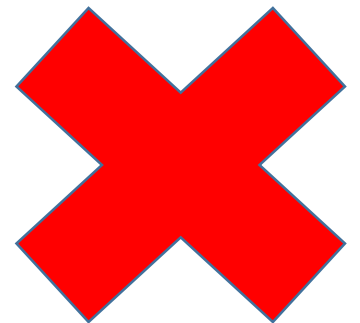
## **Increase the on-site target and delivery on-site**

- Designer responses clearly demonstrate there is greater scope for higher on-site targets to be delivered on developments.
- Policy must reflect the requirement that opportunities on site, for improved energy performance and reduced carbon emissions, should be maximised as much as possible before considering any offsetting.
- Could we move to a graded cost of carbon? Where any shortfall below 45% beyond BR2013 is charged at the costs of installing solar PV.



## Viability

- Boroughs need stronger guidance on managing offset policy requirement in relation to development viability;
  - Specifically, how to overcome concerns that offset contributions impact on LPAs ability to secure affordable housing contributions. Decision on what takes priority should be determined by the LA.
- There is a need for the GLA to provide a steer on the management of carbon offset policy requirements alongside project viability.



## Post Construction Monitoring

- Recommend the London Plan requires post construction monitoring of energy targets, for all major sites, in line with the guidance set out in the Mayors Sustainable Design and Construction Guide, and London Plan Policy's 5.2 and 5.3.
  - monitor the effectiveness of the renewable and/or low-carbon energy strategies
  - confirm compliance with energy policies
  - Establish an evidence base





## UK housing: Fit for the future?

Committee on Climate Change  
February 2019



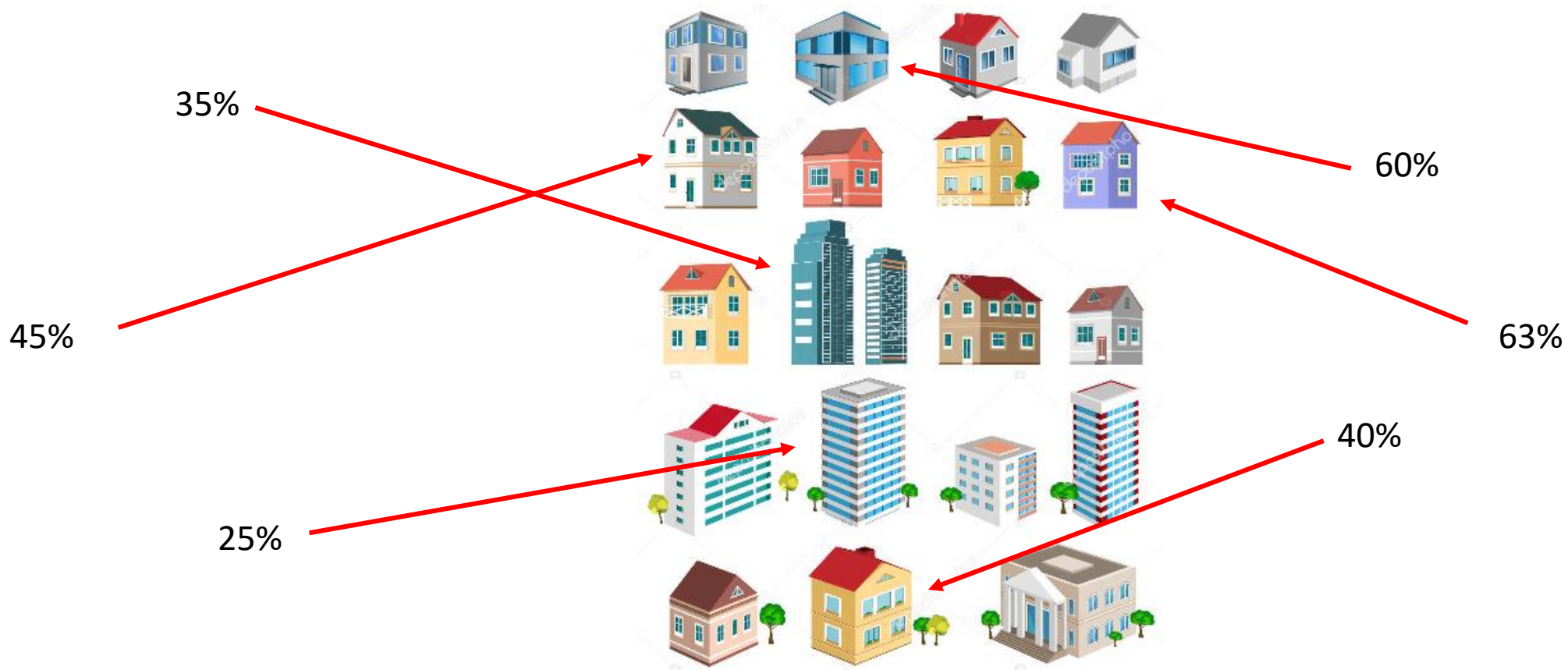
- We are not doing enough and emissions are going up!
- We need to do more – new build and retrofitting
- We need to do it now.

# Joint Borough working

- To be consistent across London
- To address common challenges
- To get more on site measures for CO<sub>2</sub> reduction
- To deliver a local mechanism for offsetting and help deliver projects
  
- We will not be
  - Undertake assessments or reviews
  - Helping you spend it, or set up the mechanisms to spend it

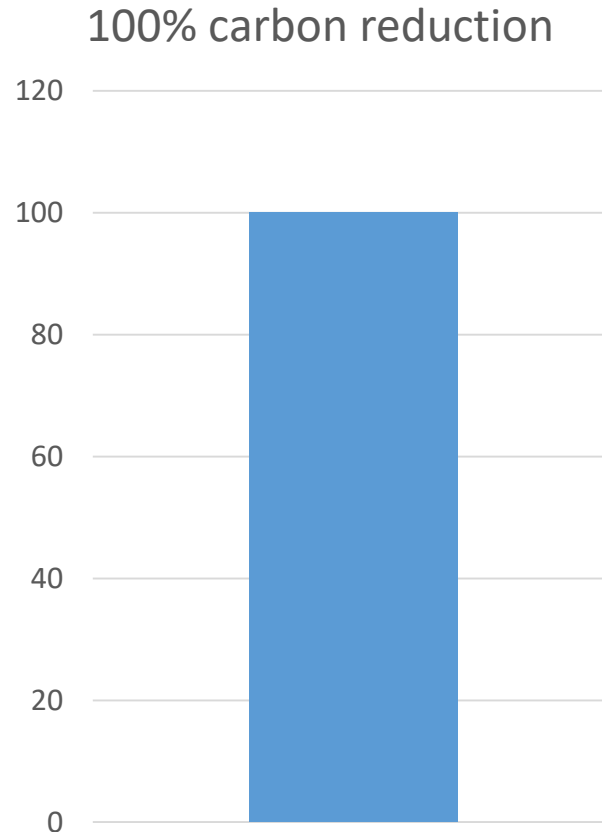
# Joint Borough working

- **Assess what is common practise, and reasonable to achieve, for onsite carbon reduction (regulated) through the design process.**

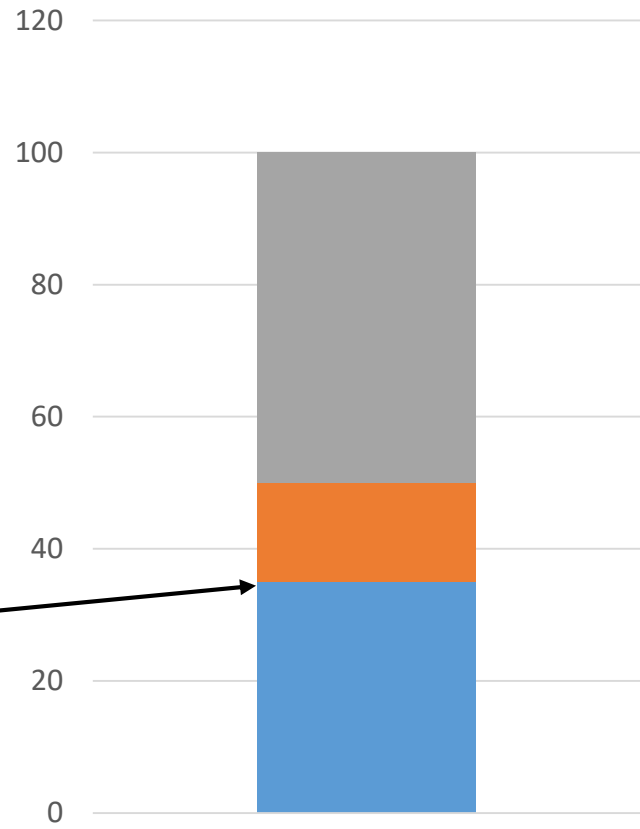


# Joint Borough working

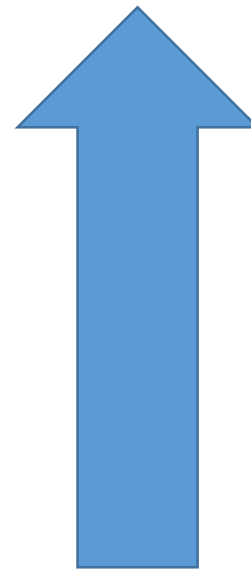
- **Critically evaluate the mechanisms / process to use the Allowable Solutions process to secure the highest carbon saving on site.**



## How to deliver on-site?



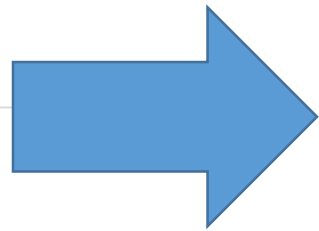
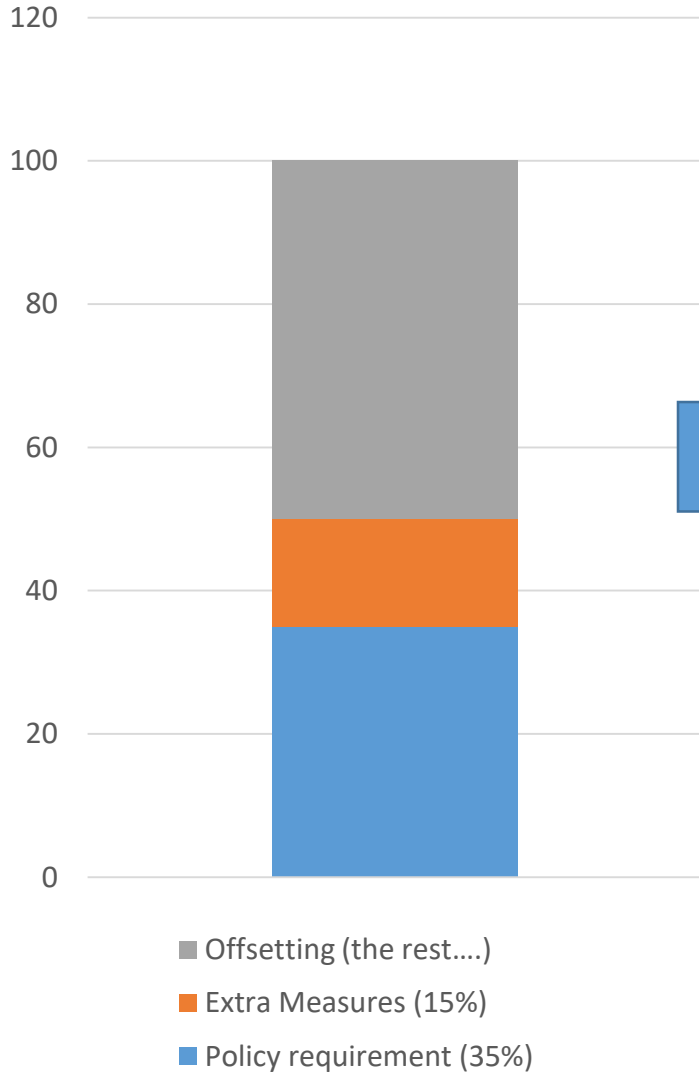
Most developments are here.... 35.4%



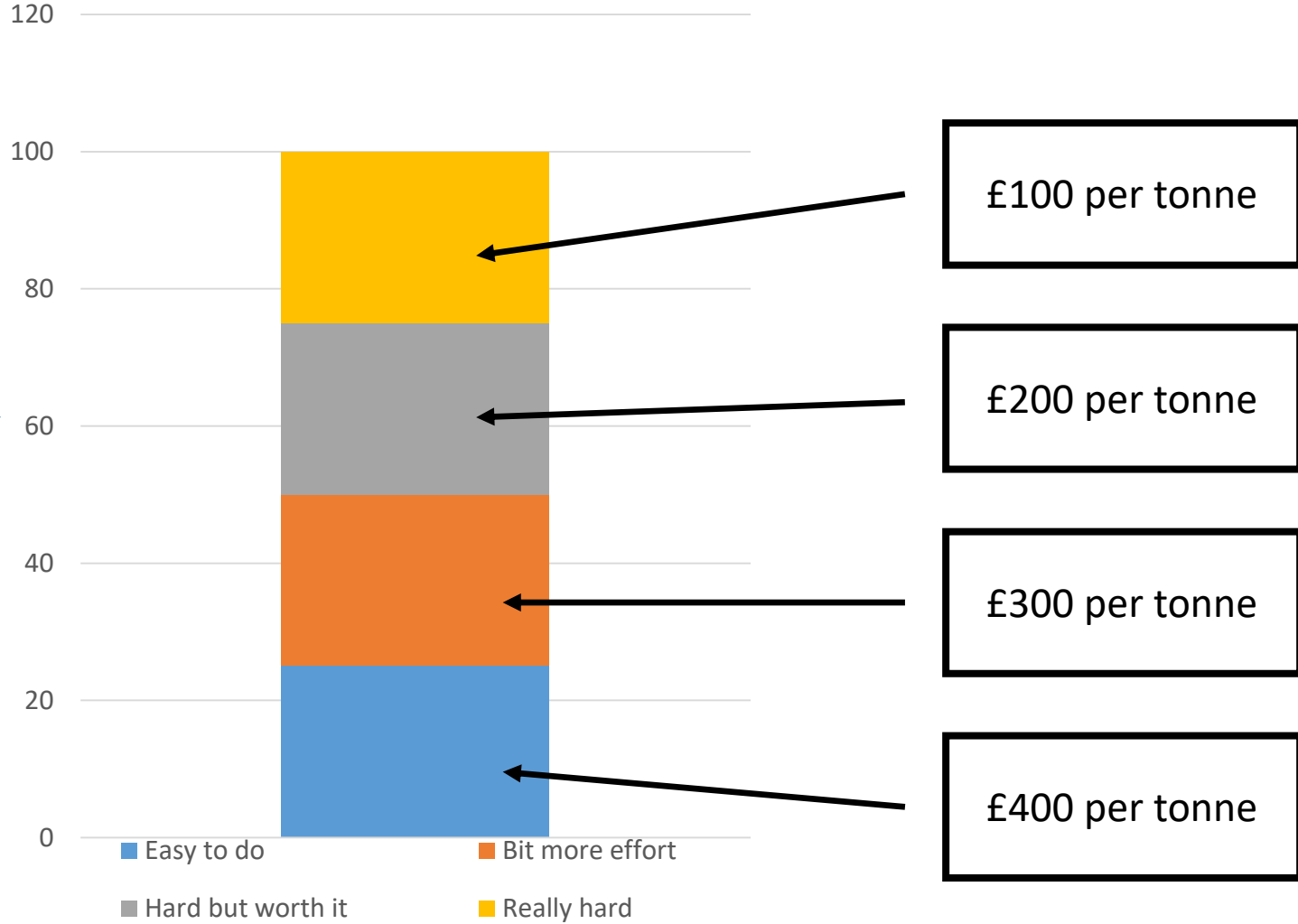
- Offsetting (the rest...)
- Extra Measures (15%)
- Policy requirement (35%)



## How to deliver on-site?



## Graded Cost of Offsetting



# Joint Borough working

- **Address the viability issue of the offsetting policy, to maximise on-site measures and collection of the offsetting fund to ensure compliance.**
  - Why is the 35% never in a viability but the offsetting is?
  - The whole policy should be in the build cost? Therefore outside viability reports.
  - Car parking spaces / landscaping are included, but the benefit of these measures are not?

# Joint Borough working

- **Develop a price of carbon for each borough that will be used by Planning teams on new developments.**

List of projects within the borough to get to zero carbon  
(costed per tonne)

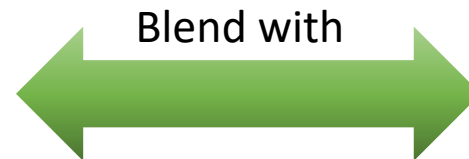
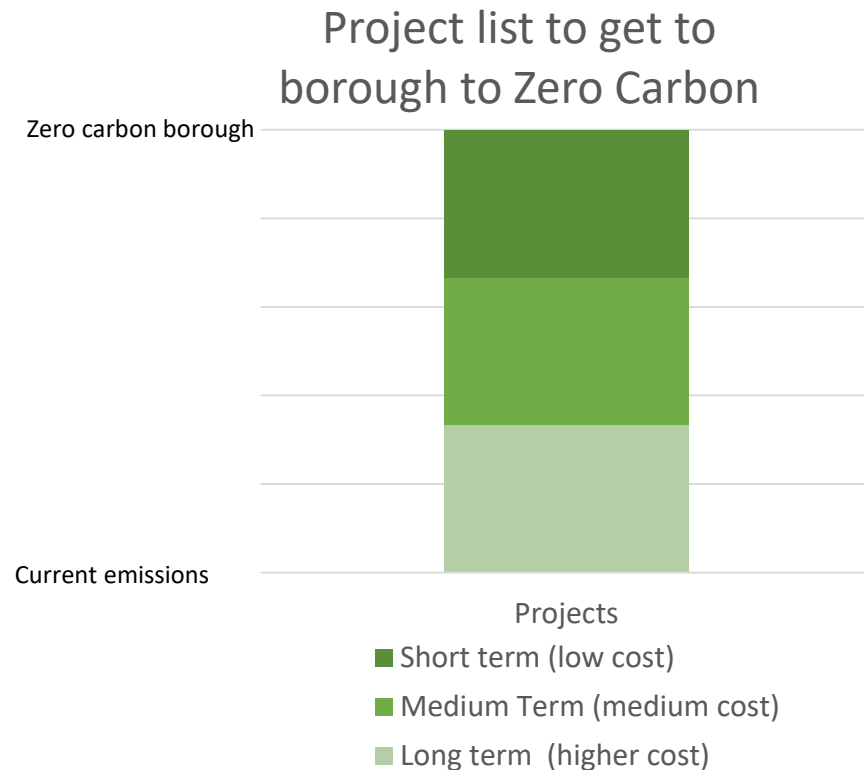
x 30

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Expected shortfall from the development in Carbon  
Emissions over the next 30 years

# Joint Borough working

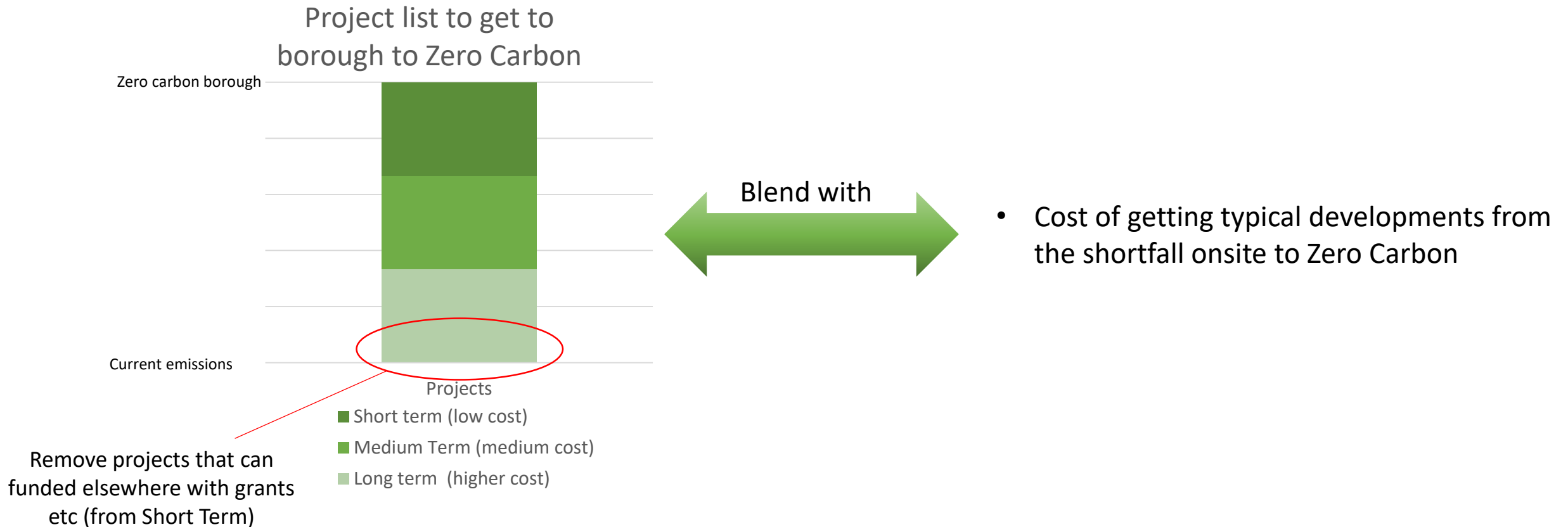
- **Develop a price of carbon for each borough that will be used by Planning teams on new developments.**



- Cost of getting typical developments from the shortfall onsite to Zero Carbon

# Joint Borough working

- **Develop a price of carbon for each borough that will be used by Planning teams on new developments.**



# Joint Borough working

- **Advise on best practice legal agreements and S106 standards to be used in planning reports to secure a Zero Carbon Standard through planning.**
  - We have many good examples, but want the consultant to critically review these.
  - Planning Counsel advice?

Come and joins us if you want.....