

MATTER 3

Submitted 5 September 2022

Matter 3: Sustainable Design, Energy Efficiency and Renewable Energy

Issue: Whether the policies relating to sustainable design, energy efficiency and renewable energy are positively prepared, justified, effective and consistent with national policy

3.1 Is Policy DM29 positively prepared, justified, effective, and consistent with national policy?

Lancaster City Council Response

Yes, the council considers that policy DM29 is positively prepared, justified, effective, and consistent with national policy. The adopted policy already reflects the importance placed upon achieving well-designed places within Chapter 12 of the National Planning Policy Framework (the Framework), the National Model Design Code and paragraph 20d of the Framework by seeking to enhance the natural and built environment. The revisions made to the adopted policy positively enhance the way in which it incorporates climate change, sustainable travel, and green and blue infrastructure by identifying key design principles. The revised policy will improve the way in which it ensures development incorporates measures to address climate change mitigation and adaptation. The design principles identified are intended to effectively guide applicants and decision makers towards the provision of well-designed, sustainable places which address the impacts of climate change. Topography, orientation, and design can be used effectively to enhance energy efficiency, and the opportunities for, and effectiveness of, renewable energy. The policy seeks to ensure that where there are such opportunities, they are taken advantage of.

3.2 Is the cross-referencing to other policies within Policy DM29 correctly drafted and necessary?

Lancaster City Council Response

Yes, however it is acknowledged that the reference to policy DM30c in bullet point VII might be more effective if it were also to reference Policies 30a and 30b for consistency. The cross-referencing serves to highlight important and related design policies which integrate with policy DM29. The council would be supportive

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of introducing a Main Modification here to action this if it was considered appropriate.

Whilst cross reference is ordinarily unnecessary as plans should be read as a whole, in this instance there is a particular justification given that these policies need to be read 'as a piece' to guide a specific objective.

3.3 How would opportunities being taken to maximise solar gain at new criterion II of Policy DM29 work with building at higher densities?

Lancaster City Council Response

It is recognised that at higher densities there is an inevitable reduction in solar access and that urban areas do not at first instance appear to provide the conditions which would favour solar gain. However, it is critical that the important role of passive solar design is considered in all projects regardless of location in order to contribute to the reduction of the built environment's energy consumption. As in all design decisions a balance needs to be struck between sometimes competing objectives, and where policies 'pull in different directions' a balanced view is to be taken overall. Indeed, the courts have recognised that some policies will almost inevitably 'pull in different directions' for major development.

Careful site massing and consideration of the building volume and solar geometry, as well as design of internal layouts and occupancy patterning can all be used to work to maximise the solar gain for a building where possible. Recognising that there will be differences on what is achievable on a site-by-site basis, the council does not intend policy to be prescriptive in how a development site work to maximise solar gain.

3.4 If the content of the supporting text at paragraph 9.5 is an expectation, should it form part of policy? Will the expectations set out in paragraph 9.5 affect the delivery of homes?

Lancaster City Council Response

It is the adopted, previously examined, sound policy which has set the standards in relation to housing delivery. Paragraph 9.5 through the partial review only adds 3 bullet points to this policy which does not restrict the delivery of homes. Whilst the text sets out that space should provide composting infrastructure as

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appropriate, through good design it should be possible to accommodate this within schemes without additional space being required and therefore there will be no impacts on densities or overall housing delivery.

In terms of whether this should form part of the policy text, the council do not consider that the addition of the 3 new bullet points are significantly different to the other 5 existing bullet points in terms of requirements being asked for and therefore the council consider it reasonable that the new text forms part of the supporting text. It is intended to be a helpful explanation of how the policy will work in practice and not to proscribe a level of detail which might not be appropriate (e.g. making composting infrastructure a requirement of policy).

3.5 Is Policy DM30a justified, effective, and consistent with national policy?

Lancaster City Council Response

Yes, Policy DM30a is considered to be justified, effective and consistent with national policy as it provides energy efficiency targets to reduce carbon emissions and tackle climate change in accordance with planning law and policy.

Section 19 (1A) of the Planning and Compulsory Purchase Act 2004 sets out an expectation that plans contribute to the mitigation of, and adaption to climate change.

“Development plan documents must (taken as a whole) include policies designed to secure that the development and use of land in the local planning authority's area contribute to the mitigation of, and adaptation to, climate change.”

The Climate Change Act 2008 (2050 Target Amendment) Order 2019 sets out the governments duty to ensure the UK reaches net zero by 2050, to produce carbon budgets and to prepare proposals and policies to meet the budgets.

The Planning and Energy Act 2008 clearly sets out the ability of local planning authorities to set their own requirements for renewable and low carbon energy and energy efficiency standards.

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“(1) A local planning authority in England may in their development plan documents ... include policies imposing reasonable requirements for—

(c) development in their area to comply with energy efficiency standards that exceed the energy requirements of building regulations.”

Section 5 states that such policies must not be inconsistent with relevant national policies for England.

Section 43 of the Deregulation Act 2015 would amend this provision. However, this has not brought this into force.

Within the 'Future Homes Standard: Summary of responses received and Government response' the Government has confirmed,

“At present, local planning authorities may include policies in their local plans which require developers to comply with energy efficiency standards for new homes that exceed the minimum requirements of the Building Regulations.”

(paragraph 2.33, page 19)

and that,

“To provide some certainty in the immediate term, the Government will not amend the Planning & Energy Act 2008, which means that local planning authorities will retain powers to set local energy efficiency standards for new homes.” (paragraph 2.40 pg 20)¹

The Government has acknowledged the role local councils have played as *“excellent advocates of the importance of taking action to tackle climate change”*. It recognises the way in which local authorities, *“drive local progress towards our national climate change commitments in a way that maximises the benefits to the communities they serve.”* (paragraph 2.39, page 20).

The Framework places importance on the mitigation and adaption to climate change. Tackling climate change is therefore a key element in achieving sustainable development as set out at paragraph 8 c), in particular meeting the environmental objective, which includes moving to a low carbon economy, and

¹ The Future Homes Standard: 2019 Consultation on changes to Part L (conservation of fuel and power) and Part F (ventilation) of the Building Regulations for new dwellings Summary of responses received and Government response - MHCLG - January 2021

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the social objective to support healthy communities that reflect current and future needs and support communities' health and social wellbeing.

The Framework expects the planning system to “support the transition to a low carbon future” and to “shape places in ways that contribute to radical reductions in greenhouse gas emissions” and “support renewable and local carbon energy” (paragraph 152).

Footnote 53 clarifies these expectations are in line with the objectives and provisions of the Climate Change Act 2008 (2050 Target Amendment) Order 2019.

New development should,

“help to reduce greenhouse gas emissions, such as through its location, orientation and design. Any local requirements for the sustainability of buildings should reflect the Government’s policy for national technical standards.” (paragraph 154 b)

Justified

The Climate Change Committee (CCC) - Sixth Carbon Budget sets out an ambitious target of cutting all emissions by 78% by 2035 compared to 1990 levels. ‘The Approach to the Sixth Carbon Budget Analysis for the Buildings Sector’ (table A3.2a, page 40) recommends that to reach this target all new buildings should be to zero-carbon by 2025.² The Buildings Regulations 2021 seek to reduce emissions from new homes by 31% and the Future Homes Standard in 2025 by 75%, both of which fall below the recommendations of the CCC.

The Government recognises the importance local authorities play in leading the way in addressing climate change. It is therefore important the councils which have made the commitment to tackle climate change through Climate Emergency Declarations do so in the most effective and swiftest way possible. The plan led system plainly has a key role to play in achieving these objectives by influencing the manner in which new buildings come forward.

² Climate Change Committee - Sixth Carbon Budget – Sector Summary – Buildings – The Approach to the Sixth Carbon Budget Analysis for the Buildings Sector [Sixth Carbon Budget - Climate Change Committee \(theccc.org.uk\)](https://www.theccc.org.uk)

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Buildings account for 483.9k tCO₂e emissions in the district, with 48.8% of that associated with homes (Scatter, 2019). Only 0.05% of existing homes in the district have logged EPCs with an energy rating of A, and homes with either A or B energy ratings represent a mere 4.43% of all logged EPCs in the district (Parity Pathways, 2022). The Department for Business, Energy Sub-Regional Fuel Poverty England 2022 (2020 data) shows that 15.1% of households in Lancaster District are in fuel poverty (table 4).³ Existing homes will require significant and costly retrofitting to bring them up to the energy efficiency standards needed to support low carbon energy such as heat pumps. The Government indicate that a significant reduction in carbon will come from low carbon heat sources such as heat pumps and future renewable electricity. However, for such heat sources to be effective and to mitigate rising costs, the buildings themselves should be highly energy efficient. It is therefore imperative that measures are taken to ensure that new buildings are built to higher energy efficiency levels which will ensure they do not continue to contribute to carbon emissions from energy use, thereby potentially exacerbating fuel poverty due to energy use and a requirement for costly retrofitting. The fabric first approach will also help alleviate the impact of extreme temperatures, including heat waves, resulting from climate change. Highly insulated buildings have enhanced performance in keeping the interior of building cool.

Evidence base document Viability Assessment – Appendix 1 **[P_20.2]** outlines the justification for the fabric first approach within policy DM30a. At paragraph 1.3.2 it explains that the 2021 Part L Building Regulation changes only propose modest improvements in insulation levels to the roof and glazing performance and no changes to wall and floor u-values.⁴ Appendix A – ‘Comparison of standards’ of the aforementioned document provides a comparison of fabric standards and Appendix C ‘Carbon Standard and Renewables Evidence by Enhabit’ **[P_20.2]** explains the rationale behind the fabric first approach to reduce the energy consumption within buildings and the weaknesses within the Buildings Regulations (pages 6 – 10 / 47-51).

³ National Statistics Fuel Poverty Detailed Tables 2022 – Department for Business, Energy & Industrial Strategy – 24 February 2022 [Fuel poverty detailed tables 2022 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/fuel-poverty-detailed-tables-2022)

⁴ Climate Change Local Plan Review Viability Assessment - Technical Appendices 1 – May 2021 – Three Dragons, Enhabit, Ward William Associates

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Policy DM30a reflects the carbon reduction measures within the Building Regulations up to 2028 but will ensure more energy efficient buildings. There is a further step to net zero for regulated energy in 2028 to reflect the council's ambition to move towards a carbon zero by 2030⁵ and the carbon reduction targets identified in the Sixth Carbon Budget.⁶ As the homes built over the plan period will contribute to carbon emissions for many years to come, it is essential that they facilitate zero carbon so far as possible to prevent further exacerbation of emissions in the future and undermine the expectations within law and policy.

The measures within policy DM30a are necessary to ensure a positive step towards zero carbon buildings. Whilst the Government have consulted on the 2025 Future Homes Standard, at present there is no certainty that these will proceed. In 2006 the Government set out policy to require new homes to be net zero by 2016 but this was abolished in 2015 and the Code for Sustainable Homes has also been removed. There is, regrettably, a track record of not proceeding with proposed building improvements and ambitious climate change measures. It is therefore important that local authorities lead the way in introducing energy efficiency and carbon reduction measures to ensure that they are carried forward.

The requirement for BREEAM standards will ensure that non-residential buildings contribute to a reduction in emissions in a holistic but flexible way. The

⁵ The Climate Emergency Declaration targets Scopes 1, 2, and 3 emissions.* There is a named focus on improving energy efficiency particularly for reducing fuel poverty and a shift to low carbon residential and commercial development, which is the focus on DM30a. [Agenda for Council on Wednesday, 30th January 2019, 6.00 p.m. - Lancaster City Council](#) * Scope 1 emissions are those emissions directly in control of an entity such as running a gas boiler. Scope 2 emissions are those caused indirectly such as through use of purchased electricity. Scope 3 emissions are emissions not produced by the entity or the result of activities or assets controlled by them rather they arise from activity up and down the value chain such as through purchased goods. For more information on emissions scopes and how emissions are counted see the Greenhouse Gas Protocol: [Greenhouse Gas Protocol | \(ghgprotocol.org\)](#)

⁶[Sixth Carbon Budget - Climate Change Committee \(theccc.org.uk\)](#)

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requirements are limited to those types/uses of buildings where the standards can be achieved.

Effective

Policy DM30a provides clear carbon reduction requirements which can be measured against an established benchmark. The carbon reduction targets are to be met primarily through a fabric first approach and allows for flexibility in the build to address site circumstances.

The table on page 8 of Evidence base document Viability Assessment – Appendix 1 [P_20.2] indicates modelled carbon emissions for homes built using various Building Regulation Standards and then fabric first approaches which deliver carbon reductions in line with policy DM30a.⁷ The fabric first (Passivhaus approaches) provide greater carbon reduction than the Building Regulations approaches.

The approach will ensure improved energy efficiency of buildings from the outset, minimise the need for retrofit, reduce energy requirements enabling better future use of renewable energy technologies and reduce fuel costs within homes and businesses. The approach will address both climate change and fuel poverty.

Consistent with National Policy

The Planning and Energy Act 2008 clearly sets out that local authorities have the ability to set their own energy efficiency standards above those within the Building Regulations. The government has confirmed this within the most recent statement within the 'Future Homes Standard: Summary of responses received and Government response' in 2021. The Framework also sets out in policy that the planning system should contribute to radical reductions in emissions and mitigate climate change.

Paragraph 154(b) of the Framework states, *“any local requirements for the sustainability of buildings should reflect the Government's policy for national*

⁷ Climate Change Local Plan Review Viability Assessment - Technical Appendices 1 – May 2021 – Three Dragons, Enhabit, Ward William Associates

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technical standards". However, the Government has not yet introduced national standards for energy efficiency within planning policy.

It is acknowledged that the Written Ministerial Statement on Plan Making in 2015 (WMS) sets out the government's expectation that energy efficiency policies should not be used to set conditions on planning permissions with requirements above the equivalent of the energy requirement of Level 4 of the Code for Sustainable Homes (this is approximately 20% above current [Part L 2013] Building Regulations across the build mix).⁸ The Planning Policy Guidance (PPG) also confirms that local authorities can set energy standards higher than Building Regulations but only up to Level 4 of the Code for Sustainable Homes but there are no restrictions for non-housing development (Paragraph: 012 Reference ID: 6-012-20190315, revision date 15 03 2019).

The WMS sets out an expectation of policy which is now somewhat dated and is self-evidently something to have regard to rather than a mandatory requirement. It predates Brexit, the pandemic and crucially the recognition of the crisis in this area by the majority of local authorities in the country that has led to the declaration of the climate change emergency.

The PPG provides guidance rather than law or policy. Its status is not equivalent to the Framework, as has been confirmed by caselaw.⁹ More importantly soundness is tested against national policy, which is primarily contained within the Framework. It is therefore considered that neither the WMS nor the PPG set out national policy which prevents local authorities setting energy efficiency standards within policy above Level 4 of the Code for Sustainable Homes.

Indeed, both the WMS and the current version of the PPG pre-date the recent changes to the Building Regulations and the confirmation in the Future Homes Standard: Summary of responses received and Government response' that local authorities can set energy efficiency standards above Building Regulations. The 2021 Building Regulations, Approved Document L took effect on 15 June 2022 and

⁸ Written Statement to Parliament – Planning Update 2015 – MHCLG 0 25 March 2015

⁹ Solo Retail Limited and Torridge District Council and TJL UK Limited [2019] EWHC 489 (Admin) Case No: CO/4343/2018

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now requires a 31% reduction in CO₂ emissions from Part L 2013.¹⁰ This is in fact greater than the energy efficiency and carbon reduction achieved through Level 4 of the Code for Sustainable Homes. There is therefore an explained inconsistency between the statements within the WMS and the PPG which aim to limit energy efficiency standards to below the current Building Regulations and the law set out in the Planning and Energy Act 2008, which sets out the ability for local authorities to set energy efficiency standards above Buildings Regulations, and the most recent statement in the 'Future Homes Standard: Summary of responses received and Government response'. Neither the WMS nor the PPG have been updated following the recent changes. Both the WMS and the PPG are therefore considered to be out of date and of limited weight in this particular regard.

Notwithstanding the Council's contention that there are no national policies which restrict local authorities setting out energy efficiency requirements, the carbon reduction requirements set out within policy DM30a are consistent with the Building Regulations. They require a reduction in carbon emissions from regulated energy against the 2013 Building Regulations, an established baseline and target. A similar transition period is also included, increasing in 2025 in line with the Future Homes Standard while increasing requirements in 2028 to ensure that the local climate ambitions are achieved and contribute to meeting the Sixth Carbon Budget. The policy focuses on energy efficiency within an energy hierarchy but allows flexibility in the delivery of the carbon reduction reflecting national policy approaches.

Policy DM30a is therefore consistent with the provisions of the Planning and Energy Act 2008, the national policy position on the setting of local energy efficiency standards for new development and national policies seeking a radical reduction in emissions.

Conclusion

The Climate Change Act 2008 (2050 Target Amendment) Order 2019 sets out the requirement for the government to produce policies to reduce carbon emissions. Together, the Planning and Compulsory Purchase Act 2004, the Planning and

¹⁰ Building Regulations 2010 - Approved Document L - Conservation of Fuel and Power, Volume 1: Dwellings – 2021 Edition

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Energy Act 2008 and the Framework set out some of those policies, clearly setting a strong expectation that plans and policies take a positive approach in contributing to the mitigation of, and adaptation to, climate change and to radically reduce carbon emissions.

The inclusion of policies within the CERLP to reduce carbon emissions, including zero carbon regulated energy associated carbon emissions, is therefore justified and consistent with law and policy.

3.6 Are the requirements to provide a Sustainable Design Statement and Energy Statement necessary?

Lancaster City Council Response

Yes, the Sustainable Design Statement and Energy Statement are necessary. The statements are for the applicant to describe how proposals positively address and meet the requirements of the policies in the Local Plan and sustainable design principles in relevant SPDs and PANs, respond to the need to adapt and mitigate for climate change, and deliver sustainable development. This will include how the development achieves the wider aims for sustainable development including: energy use; renewable energy; water efficiency; materials, waste, and construction; green and blue infrastructure; food growing spaces; sustainable travel and transport; and water management.

3.7 Is Policy DM30b justified and consistent with national policy?

Lancaster City Council Response

Yes, policy DM30b is considered to be justified, effective and consistent with national policy as it provides policy to address the increased pressure on water resources from the effects of climate change and has been drafted in accordance with planning law and policy.

Section 19 (1A) of the Planning and Compulsory Purchase Act 2004 sets out an expectation that plans contribute to the mitigation of, and adaption to climate change.

“Development plan documents must (taken as a whole) include policies designed to secure that the development and use of land in the local planning

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authority's area contribute to the mitigation of, and adaptation to, climate change."

The Framework places importance on planning for climate change. Paragraph 153 of the Framework states that *"Plans should take a proactive approach to mitigating and adapting to climate change, taking into account the long-term implications for flood risk, coastal change, water supply, biodiversity and landscapes, and the risk of overheating from rising temperatures⁵³. Policies should support appropriate measures to ensure the future resilience of communities and infrastructure to climate change impacts, such as providing space for physical protection measures, or making provision for the possible future relocation of vulnerable development and infrastructure"*.

The council considers that the policy is justified in that it is an appropriate strategy and has taken account of reasonable alternatives based on proportionate evidence as demonstrated in Topic Paper 5 Sustainable Design, Energy Efficiency & Renewable Energy Consideration of Alternative Policy Approaches & SA/HA **[TP_05]**. The measures within the policy are supported by the Environment Agency and United Utilities and the 'Water Efficiency in New Homes, Evidence to support adoption of Building Regulations Optional Standards Requirement for local authorities in North West England and the Midlands' **[P_22]**.

The policy is consistent with the Framework by ensuring that the impacts of future periods of drought arising from climate change upon water supply are prospectively mitigated by providing residents and businesses with the means to reduce water consumption therefore reducing the pressure on stored resources. Warmer summers have resulted in increases in water consumption and a reduction in overall supply. The northwest faces the second highest pressure on water resources in England, largely due to population growth. The growth in the district must be accommodated while abstraction licences are being reduced.

The policy adopts and requires compliance with the Optional Technical Standard for residential properties but goes no further in accordance with paragraph 130f) of the Framework and the guidance in the PPG. The optional technical standard does not however provide a significant improvement in water efficiency, further measures are therefore encouraged within the policy. As non-residential buildings

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are not affected by the policy with regard to optional standards, the requirement for compliance with BREEAM water efficiency is consistent with national policies to mitigate and adapt to the impacts of climate change.

United Utilities have provided further information in answer to this question. This is provided at Appendix A to this document.

3.8 Does the Council area meet the Planning Practice Guidance's (PPG) parameters for applying the optional requirement of 110 litres of water per person per day?

Lancaster City Council Response

Yes. The adoption of the optional water efficiency standard has arisen from early engagement with United Utilities and the Environment Agency, both of which have requested inclusion of the standard within the CELPR.

The PPG provides guidance on the sources of evidence, including the Environment Agency 'Water Stressed Areas – 2021 Classification' to support the adoption of the standard. The PPG does not however, require that in order to adopt the standards, local authorities must have sites within an area of serious water stress. The guidance does not provide an exhaustive or closed list of evidence. In this case, the adoption of the standard is supported by the Environmental Study Water Efficiency in New Homes - 'Water Efficiency in New Homes, Evidence to support adoption of Building Regulations Optional Standards Requirement for local authorities in North West England and the Midlands' [P_22].

United Utilities have provided further information in answer to this question. This is provided at Appendix A to this document.

3.9 Is Policy DM30c justified and consistent with national policy?

Lancaster City Council Response

Yes, policy DM30c is considered to be justified and consistent with national policy as it provides positive support for transition to a low carbon economy and supports climate mitigation and adaptation in accordance with planning law and policy.

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Section 19 (1A) of the Planning and Compulsory Purchase Act 2004 sets out an expectation that plans contribute to the mitigation of, and adaption to climate change.

“Development plan documents must (taken as a whole) include policies designed to secure that the development and use of land in the local planning authority's area contribute to the mitigation of, and adaptation to, climate change.”

Justified

The Government has enshrined into legislation its commitment to achieve 'net zero' emissions by 2050. The Climate Change Committee - Sixth Carbon Budget sets out an ambitious target of cutting emissions by 78% by 2035 compared to 1990 levels. 'The Approach to the Sixth Carbon Budget Analysis for Manufacturing and construction' outlines reductions areas such as embodied carbon and waste reduction as key parts of meeting this target.

DM30c includes a focus on lifecycle emissions which includes carbon emissions produced from the practices associated with sourcing materials, generating them into products, transporting them to site and constructing them into a building. Embodied carbon also includes the emissions due to maintenance, repair and replacement, as well as final demolition and disposal. Embodied carbon from construction and over the building's lifetime is significant, accounting for about half of the building's carbon footprint. As the energy efficiency of buildings improves, embodied carbon will represent a larger proportion of the building's lifetime emissions. Embodied carbon from building materials and construction currently accounts for approximately 11% of all global emissions.¹¹ The RIBA 2030 Climate Challenge set a 40% embodied carbon reductions target before offsetting, thereby highlighting the critical need to use low embodied carbon and recycled materials as part of construction processes.

The built environment will be impacted by climate change as much as climate change impacts the built environment and there are multiple climate benefits of including green and blue infrastructure as part of buildings and not just

¹¹ [Embodied Carbon in Building Materials for Real Estate | ULI Knowledge Platform](#)

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development areas, from water management to energy efficiency to improving local quality of life and improving local ecosystems and habitat connectivity.

The policy is not prescriptive and allows for flexibility in the build to address site circumstances.

Consistent

In line with the Waste (England and Wales) Regulations 2011, policy DM30c highlights the critical importance that should be given to the waste hierarchy: (a)prevention; (b)preparing for re-use; (c)recycling; (d)other recovery (for example energy recovery); (e)disposal. It is further in line with National planning policy for waste in that it addresses "the handling of waste arising from the construction and operation of development maximises reuse/recovery opportunities, and minimises off-site disposal." Policy DM30c also in in line with the Framework (2021) Chapter 2 Paragraph 8 an environmental objective which lays out the policy need for "using natural resources prudently, minimising waste and pollution, and mitigating and adapting to climate change, including moving to a low carbon economy. Through emphasis on both construction waste and considering the lifecycle and future demolition of the buildings, policy DM30c recognises the long term need to supply materials for construction in line with the Framework Chapter 17 paragraph 209 and 210 (b). The policy reflects the importance placed upon achieving well-designed places and the need to rise to the challenges of climate change, including water management and improving green infrastructure, as highlighted in the Framework Chapter 14 and the National Model Design Code (NMDC). The latter places emphasis on the importance of considering the lifecycle of the building and "[r]educing embodied energy [...], using low energy materials, designing to use materials efficiently, reducing the energy used in construction, the re-use of materials and design for disassembly and adaptability so that the carbon locked in the building can be retained or reused in future." It also highlights potential for modern methods of construction and waste reduction. The NMDC also includes the importance of urban greening and the opportunities biodiversity through green walls and roofs as well as their ability to hold and attenuate water run-off.

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3.10 Is Policy DM53 justified, effective and consistent with national policy?

Lancaster City Council Response

Yes, policy DM53 is considered to be justified, effective and consistent with national policy as it provides positive support for transition to a low carbon economy and supports climate mitigation and adaptation in accordance with planning law and policy.

Section 19 (1A) of the Planning and Compulsory Purchase Act 2004 sets out an expectation that plans contribute to the mitigation of, and adaption to climate change.

“Development plan documents must (taken as a whole) include policies designed to secure that the development and use of land in the local planning authority's area contribute to the mitigation of, and adaptation to, climate change.”

The recently published ‘British Energy Security Strategy’¹² further builds on the ‘Ten Point Plan for a Green Industrial Revolution’¹³, and the ‘Net Zero Strategy’¹⁴ which outline the critical and urgent need to transition to low carbon energy generation. They also recognise the need for energy storage. The Government has acknowledged the role local planning authorities play in supporting renewable energy generation and gives responsibility to local planning authorities for renewable and low carbon energy development of 50 megawatts or less installed capacity (Town and Country Planning Act 1990) and electricity storage¹⁵ including that above 50MW (The Infrastructure Planning ((Electricity Storage Facilities)) Order 2020). The Framework places importance on the mitigation and adaption to climate change and renewable and low carbon energy as part of this. Tackling climate change is a key element in achieving sustainable development as set out at paragraph 8 c), in particular meeting the environmental objective, which includes moving to a low carbon economy and social objective to support healthy

¹² [British energy security strategy - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/british-energy-security-strategy)

¹³ [The ten point plan for a green industrial revolution - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/ten-point-plan-for-a-green-industrial-revolution)

¹⁴ [Net Zero Strategy: Build Back Greener - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/net-zero-strategy-build-back-greener)

¹⁵ This order excludes pumped hydro

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communities that reflect current and future needs and support communities' health, social wellbeing.

The Framework expects the planning system to "support the transition to a low carbon future" and to "shape places in ways that contribute to radical reductions in greenhouse gas emissions" and "support renewable and local carbon energy" (paragraph 152).

Justified

The Government has enshrined into legislation its commitment to achieve 'net zero' emissions by 2050. The Climate Change Committee - Sixth Carbon Budget sets out an ambitious target of cutting emissions by 78% by 2035 compared to 1990 levels. 'The Approach to the Sixth Carbon Budget Analysis for the Buildings Sector' (table A3.2a, page 40) recommends that to reach this target all new buildings should be to zero-carbon by 2025. The net zero future will require fully electric buildings and renewable energy supply. It is recognised that no single technology will be able to deliver all the generation that is needed to meet new electricity demands. This system will have variable generation and a need for greater flexibility including energy storage.

The Government recognises the importance local authorities play in leading the way in addressing climate change. It is therefore important the councils which have made the commitment to tackle climate change through Climate emergency Declarations do so in the most effective and swiftest way possible. Policy DM53 provides a positive policy approach to energy generation and storage to meet the energy demands of a net zero future.

Evidence base documents: Exploring Opportunities for a Low Carbon District [P_13], Heritage and Carbon Zero Paper [P_14], Energy Efficiency Background Paper [P_18], District Heating & Cooling Opportunities Study [P_19], Investigation into the promotion of macro and micro-renewable energy [P_23] and Viability Assessment – Appendix 1 [P_20.2] demonstrate the justification for the positive approach to renewable and low carbon generation and reflect the council's ambition to move towards a carbon zero and the carbon reduction targets identified in the Sixth Carbon Budget.

Effective

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Policy DM53 is considered to provide clear positive and proactive support for supporting renewable and low carbon energy generation proposals and development.

Consistent with National Policy

Section 14 of the Framework (Feb 2021) 'Meeting the challenge of climate change, flooding and coastal change', paragraphs 152 and 155 - 158 clearly lay out that plans should take a proactive approach to increase the use and supply of renewable and low carbon energy and heat. Policy DM53 aims to proactively support the maximisation of suitable renewable development (in line with meeting the other requirements of the plan); identifies areas which may be suitable for energy generation (in terms of wind energy); supports the collocation of heat customers and suppliers through thermal energy networks; supports community led initiatives; provides positive support for renewable generation without requiring applicants to demonstrate the need for generation.

3.11 Is Policy DM53 consistent with the Arnsdale & Silverdale Area of Outstanding Natural Beauty Development Plan Document?

Lancaster City Council Response

Yes. As set out in policy AS01 of the Arnsdale & Silverdale (A&S) AONB DPD, which establishes the overall development strategy, '*a landscape capacity-led approach to development will be taken in the AONB*'. Policy AS13 sets out the planning policy position in relation to low carbon and renewable energy schemes in the AONB, and how proposals that promote the AONB as a low carbon landscape will be particularly encouraged. Similarly, policy DM53 sets out the council's commitment to supporting the transition to a lower carbon future, maximising renewable and low carbon energy, but importantly, where this is compatible with other sustainability objectives (such as those within the A&S AONB DPD).

Policy AS13 states that commercial or otherwise medium-to-large scale energy infrastructure are likely to be major development and contrary to national policy, so will not be permitted in the AONB, unless the major development exceptions set out in policy AS01 are met. Policy AS01 continues '*In determining whether a*

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proposed development constitutes major development the Councils will consider whether by reason of its scale, form, character or nature, the proposal has the potential to have a significant adverse impact on the natural beauty of the AONB'. In relation to small-scale, policy AS13 sets out a series of criteria that are to be met. Criteria I states: 'the siting, scale, design and appearance will not have an adverse impact upon the landscape...'. Similarly, policy DM53 contains criteria to ensure the impacts of proposals are made acceptable. Criteria I of which refers to the scale, siting and design impacts on the landscape character, and then now also specifically refers to the setting of nationally designated landscapes, to take account of the impact proposals outside the AONB may have upon the designation. Criteria IV does also require that: 'the proposal is consistent with other relevant policies within the local development plan', which includes the policies within the A&S AONB DPD. Therefore, policy DM53 is consistent with the A&S AONB DPD.

3.12 Should Policy DM53 refer to impact on nationally designated landscapes instead of or as well as referring to the impact on the setting of nationally designated landscapes?

Lancaster City Council Response

The City Council agrees that for the purpose of clarity, the sentence structure of bullet point I of policy DM53 should be amended to make clear that it includes reference to nationally designated landscapes and their settings. A modification has been proposed to address this.

3.13 What is Figure 13.1? Does it represent opportunities or constraints for wind energy? Are these opportunities and constraints adequately replicated on the Policies Map?

Lancaster City Council Response

The areas shown in blue in Figure 13.1 are the areas that have been identified as suitable for wind energy, and it is these blue areas which are subsequently identified on the District-wide Policies Map as 'areas suitable for wind energy'. Therefore, these opportunity areas are adequately replicated on the Policies Map.

Figure 13.1 also shows the constraints (although these areas are slightly faded out to make the opportunity areas stand out more), this is to demonstrate how

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Submitted 5 September 2022

the constraints have shaped and informed the identification of the areas of opportunity i.e. suitable for wind energy (subject to the criteria set out in policy DM53).

The second map (which we propose should be referenced Figure 13.2) just displays the constraints, but these are shown in bolder colours compared to Figure 13.1 (the first map), so that they can be seen more clearly.

To ensure the purpose of each map is clear, the council recognise that it would be beneficial to add clear figure numbers and labels to each of the two maps associated with policy DM53. The council would be supportive of introducing a Main Modification here to action this, if it is considered appropriate.

Lancaster Local Plan Climate Emergency Review

Matter 3

Sustainable Design, Energy Efficiency and Renewable Energy

**Response of United Utilities Water Limited on behalf of Lancaster City Council to
Questions 3.7 and 3.8 relating to Policy DM30b (Water Efficiency)**

September 2022

Introduction

Lancaster City Council (LCC) submitted the Lancaster District Climate Emergency Review (CER) of the Local Plan 2020-2031 to the Secretary of State for independent examination (Regulation 22) on 31st March 2022.

In accordance with national planning policy (specifically paragraph 16 of the National Planning Policy Framework), as well as, the status of United Utilities Water Limited (UUW) as a statutory consultee in the preparation of development plans, UUW has worked closely with LCC on the preparation of the CER of the Local Plan. LCC and UUW have engaged in meaningful discussion regarding the practical issues associated with ensuring the plan is responsive to the challenge of climate change.

This submission is made by UUW to assist LCC to respond to questions 3.7 and 3.8 posed by the Inspector relating to the implementation of the water efficiency policy for new residential development.

The remainder of this note is set out under the following headings.

- 1) United Utilities Water Limited
- 2) Background
- 3) The City of Lancaster
- 4) National Legislation and Policy
- 5) Evidence
- 6) Consultation
- 7) Viability
- 8) Inspector's Questions
- 9) Conclusion

1) United Utilities Water Limited

UUW is the statutory water and wastewater undertaker for the north west of England and its area of operation includes Lancaster. As the water undertaker for the North West, UUW is a statutory consultee in the preparation of development plans. It has a statutory duty under Section 93A of the Water Industry Act 1991 to promote the efficient use of water by customers. This includes working with developers and local planning authorities on the efficient use of water in the construction of new dwellings.

2) Background

As part of the CER of the Local Plan, LCC has introduced Policy DM30b: Sustainable Design and Construction – Water Efficiency. The policy is supported by both UUW and the Environment Agency (EA).

All new homes already have to meet the mandatory national standard set out in Building Regulations (of 125 litres/person/day). Where there is a clear local need, local planning authorities can set out local plan policies requiring new dwellings to meet the tighter Building Regulations optional requirement of 110 litres/person/day (l/p/d).

Objections to Policy DM30b have been received from Taylor Wimpey and the Home Builders Federation.

3) The City of Lancaster

In the North West, the supply of water is split into a number of resource zones. These include:

- the Carlisle Resource Zone;
- the North Eden Resource Zone; and
- the Strategic Resource Zone.

The City of Lancaster falls within the Strategic Resource Zone which covers the vast majority of the North West. It serves a population of around 7 million people. It is based on major aqueducts and strategic sources of water supply which seek to balance the supply of water across the resource zone.

The need to apply the optional water efficiency standard in the North West of England is therefore largely a regional consideration. It is not constrained to simply considering the needs and demands of Lancaster.

4) National Legislation and Policy

Planning and Compulsory Purchase Act 2004

Section 19 (1A) of the Planning and Compulsory Purchase Act 2004 sets out an expectation that plans contribute to the mitigation of, and adaption to climate change.

Water Industry Act 1991

Section 93A of the Water Industry Act 1991 places a duty on every water undertaker to promote the efficient use of water by its customers.

National Planning Policy Framework (NPPF)

The NPPF states that the purpose of the planning system is to contribute to the achievement of sustainable development. It identifies three overarching objectives (economic, social and environmental).

<p>The economic objective includes identifying and co-ordinating the provision of infrastructure.</p>	<p><i>Managing the demand for water is key to ensuring that the pressures on water infrastructure are reduced and delivered in the most efficient way possible.</i></p>
<p>The social objective includes ensuring that a sufficient number and range of homes can be provided to meet the needs of present and future generations.</p>	<p><i>Managing the demand for water is key to meeting the needs of future generations. Improvements in water efficiency have the added social dimension of reducing the cost of customer bills.</i></p>
<p>The environmental objective includes protecting and enhancing our natural environment, including using natural resources prudently, minimising waste and mitigating and adapting to climate change.</p>	<p><i>Reductions in water use have a range of benefits including reducing the pressure to abstract; decreasing the overall volumes of wastewater discharged to the public sewer; and reducing energy used / carbon emitted in the production and use of water. Managing the demand for water is key to protecting and enhancing our natural environment and adapting to climate change.</i></p>

It is our view that the efficient use of water is therefore directly linked to the three overarching objectives of the planning system.

Paragraph 20 of the NPPF states that (our emphasis in bold) '*strategic policies should set out an overall strategy for the pattern, scale and design quality of places, and make sufficient provision for infrastructure for transport, telecommunications, security, waste management, **water supply**, wastewater, flood risk and coastal change management, and the provision of minerals and energy (including heat).*'

Paragraph 153 of the NPPF states that '*plans should take a proactive approach to mitigating and adapting to climate change, taking into account the **long-term implications** for flood risk, coastal change, **water supply**, biodiversity and landscapes, and **the risk of overheating from rising temperatures**. Policies should support appropriate measures to ensure the **future resilience of communities and infrastructure to climate change impacts**, such as providing space for physical protection measures, or making provision for the possible future relocation of vulnerable development and infrastructure.'*

National Planning Practice Guidance (PPG)

The PPG provides advice on how planning authorities can gather evidence to set the optional water efficiency standard. Paragraph 013 states that '*the local planning authority may also consider whether a tighter water efficiency requirement for new homes is justified to help manage demand*'.

Paragraph 014 to 016 provide further guidance on the inclusion of water efficiency policy.

'Paragraph 014: What standard should be applied to new homes?

All new homes already have to meet the mandatory national standard set out in the Building Regulations (of 125 litres/person/day). Where there is a clear local need, local planning authorities can set out Local Plan policies requiring new dwellings to meet the tighter Building Regulations optional requirement of 110 litres/person/day.

Paragraph 015: How should local planning authorities establish a clear need?

It will be for a local planning authority to establish a clear need based on:

- **existing sources of evidence.**
- **consultations with the local water and sewerage company, the Environment Agency and catchment partnerships.**
- **consideration of the impact on viability and housing supply of such a requirement.**

Paragraph 016: What are the existing sources of evidence?

*Primary sources of evidence which **might** support a tighter water efficiency standard for new dwellings are:*

- *The Environment Agency water stressed areas 2021 classification which identifies areas of serious water stress where household demand for water is (or is likely to be) a high proportion of the current effective rainfall available to meet that demand.*
- *Water resource management plans produced by water companies.*
- *River Basin Management Plans which describe the river basin district and the pressure that the water environment faces. These include information on where water resources are contributing to a water body being classified as ‘at risk’ or ‘probably at risk’ of failing to achieve good ecological status, due to low flows or reduced water availability.’*

Paragraph 016 above sets out a list of primary sources of evidence that **might** support a tighter water efficiency standard for new dwellings. Although the local authority is not within an EA water stressed area 2021 classification, the wording of paragraph 016 does not state this is an essential criterion to meet. Moreover, there are other forms of evidence that can be used to justify the implementation of a tighter water efficiency standard.

5. Evidence

There is a range of documents produced at the regional and national level relating to water efficiency. Some key points from these documents are summarised below with relevant links provided as footnotes.

a) Meeting Our Future Water Needs: A National Framework for Water Resources (March 2020)¹

The EA adopted the National Framework for Water Resources in March 2020 which identifies strategic water needs for England and its regions across all sectors up to and beyond 2050. It states:

‘The national framework differs from previous work by focusing on the regional plans that will be developed over the coming years by the five regional water resources groups that are now in place. The strategic direction of these plans has been shaped by a senior

¹ [Meeting Our Future Water Needs: A National Framework for Water Resources \(March 2020\)](#)

steering group representing government, regulators, the water industry, bodies representing other major water users, environmental non-governmental organisations (NGO's) and academia. It is this shift to collaborative regional planning, within an agreed framework, which will allow a step change in water resources.'

The National Framework for Water Resources emphasises the future pressures on public water supply and the need to deliver a step-change in water resilience and environmental protection. It states that there is a need to reduce water demand and drive down water use across all sectors. The National Framework identifies UuW as within the Water Resources West (WRW) regional group. Significantly, the Framework notes that WRW faces the **second highest pressures on water resources in England**, largely due to population growth. It states that increased consumption, driven by population increases, is the largest driver of additional water need in the region. Increased public water supply drought resilience, increased protection for the environment and the impact of climate change reducing water availability of existing supplies also have impacts on water availability. In this context, the National Framework states:

'Regional groups should:

- *contribute to a national ambition on average PCC² of 110 l/p/d by 2050 - this should be reviewed every 5 years.'*

b) The Water Framework Directive (WFD) and the North West River Basin Management Plan (RBMP) (December 2015)³

The Water Environment (Water Framework Directive) (England and Wales) Regulations 2017 provides a framework for managing the water environment in England. The WFD Regulations require the preparation and publication of river basin management plans; the setting of environmental objectives for groundwater and surface waters (including estuaries and coastal waters); and the devising and implementing of programmes of measures to meet those objectives.

The North West River Basin Management Plan was most recently updated in December 2015. This notes that *'Climate change will affect the future demand for water as well as its availability and quality. Rivers and groundwater water bodies are already under pressure. Demand for water is increasing due to population growth, urban development and land-use change. Climate change is expected to alter the frequency and distribution of rainfall, increasing temperatures and increasing the frequency and severity of extreme weather events. Dealing with*

² Per capita consumption

³ [The North West River Basin Management Plan \(RBMP\) \(December 2015\)](#)

*unsustainable abstraction and **implementing water efficiency measures is essential to prepare and be able to adapt to climate change and increased water demand in future.***

Section 3.2 of Part 1 of the 'North West river basin district River basin management plan' outlines ongoing measures to prevent deterioration and help improve the quality of the water environment, including changes to natural flow and level of water. How the issue is managed, includes regulators and operators planning and working together, by completing statutory water resource management plans. On page 45, it states (amongst other things):

'Regulators, operators, influencers and project undertakers make sure water is used efficiently:

- *All sectors take up or encourage water efficiency measures, including water industry work on metering, leakage, audits, providing water efficient products, promoting water efficiency and education.*
- ***Local government sets out local plan policies requiring new homes to meet the tighter water efficiency standard of 110 litres per person per day as described in Part G of Schedule 1 to the Building Regulations 2010.***
- *Industry manufacturing and other business implement tighter levels of water efficiency, as proposed by changes to the Building Regulations.'*

Section 4.2 of the River Basin Management Plan outlines the measures implemented since 2009. In relation to changes to the natural flow and level of water, it outlines demand measures which have been implemented on page 90 as including:

'Local Development Plans/Frameworks have been introduced which set out local plan policies requiring new homes to meet the tighter water efficiency standard of 110 litres per person per day as described in Part G of Schedule 1 to the Building Regulations 2010.'

c) The Water Resources West (WRW): Water Efficiency in New Homes (October 2021)⁴

This document is prepared in the context of WRW, which includes the area of operation of UUW. It identifies WRW as being one described by the EA as having '*moderate water stress.*'

This document clearly justifies the need for more stringent water efficiency targets for new residential development in WRW. It strongly recommends that Local Authorities in WRW adopt 110 l/p/d for water efficiency.

This is consistent with the National Framework for Water Resources which, as noted above, adopts an ambition of reducing average PCC to 110 l/p/d by 2050 nationally.

⁴ [Water Efficiency in New Homes, Water Resources West, October 2021](#)

It notes that even with these reductions in consumption, parts of our region will need new water resources to be developed. If the planned reductions are not achieved, then more significant and more costly water resources will need to be developed. It is therefore important that measures are taken across the region to support the achievement of the lower PCC.

Again, consistent with the National Framework for Water Resources, WRW notes that the wider region faces the **second highest pressures on water resources in England**, largely due to population growth. In turn, there is a demand for housing growth in the region which has meant that water companies have been asked to accommodate the new growth, yet, at the same time, the abstraction licences of water companies are being reduced.

The WRW evidence states the population growth, climate change and environmental protection measures all put pressure on water resources and contribute to water stress in the region. On top of this, housing shortages mean that lots more housing is needed today and in the future. Within the WRW region, it is estimated that there will be 1.6 million new properties by 2050. Yet at the same time there is need to share the already scarce water resources.

The WRW evidence states public concern also highlights the need to support water saving. Surveys of water users in North West England and the Midlands have shown that, while there is little general awareness of the issues, once informed, 70% are concerned about water scarcity. In addition to running out of water, customers are worried about the potential impact on water bills, restrictions and wastage.

The WRW evidence states that, *'even with these reductions in consumption [adoption of the water efficiency Building Regulation Requirements] parts of our region will need new water resource to be developed. If the planned reductions are not achieved, then more significant costly water resources will need to be developed. It is therefore important the measures are taken **across the region** to support the achievement of the lower capita consumption'*.

d) United Utilities Water Resources Management Plan 2019 (WRMP19)⁴

The plan defines U UW's strategy to achieve a long-term, best value and sustainable plan for water supplies in the North West. The plan identifies a future reduced water availability due to climate change. Water efficiency actions have an important contribution in achieving and maintaining an adequate and sustainable supply-demand balance.

It is worth noting that U UW is currently preparing a first draft WRMP 2024. It will be published for consultation soon.

e) Department for Communities and Local Government Housing Standards Review Cost Impacts (September 2014) ⁵

This document considered the costs of achieving the water efficiency standards in the Code for Sustainable Homes. Table 26 in Section 3.5.4 of the report demonstrated that the cost of complying with each standard in the Code compared with each standard as an extra over usual costs. Code levels 3 and 4 set a water efficiency target of 105 l/p/d which is slightly less than the 110 l/p/d in the optional standard. The report concluded that a water efficiency target of 105 l/p/d could be achieved for a 3 bed / 4 bed detached house at an additional cost of £9. For 1 bed apartments, 2 bed apartments and a 2 bed terrace, the additional cost was £6. This is consistent with the £9 quoted within the WRW Evidence. Using the Bank of England Inflation Calculator to translate at cost in 2014 to a cost in 2021, the new costs would equate to £6.70 and £10.04⁶ respectively.

f) *Waterwise Evidence to the Future Homes Hub*⁷ (August 2022)

Waterwise has undertaken research into water consumption. This evidence demonstrates how it is possible to achieve levels of 95 l/p/d using fittings already on the market.

6) Consultation

Paragraph 015 of the NPPG states that a clear need base should be established through consultation with the local water and sewage company, the EA and catchment partnerships. LCC has consulted with UuW and the EA during the local plan consultation. The EA submitted responses to the Regulation 18⁸ and Regulation 19⁹ consultations confirming they are satisfied that the CER of the Local Plan is legally compliant and sound. The Regulation 18 response of the EA states, *'We consider that the revised proactive policies will ensure future development is used as an opportunity to deliver positive actions that will help development mitigate and adapt to climate change. Eg Ensure the implementation of improved water efficiency standards.'* Furthermore, it is clear that the North West River Basin Management Plan and the WRW evidence promote the inclusion of the water efficiency standard in the North West region.

⁵ [Department for Communities and Local Government Housing Standards Review Cost Impacts \(September 2014\)](#)

⁶ [Bank of England Inflation Calculator](#)

⁷ [Waterwise, August 2022](#)

⁸ [Regulation 18 Response of Environment Agency](#)

⁹ [Regulation 19 Response of Environment Agency](#)

7) Viability

Paragraph 015 of the '*Housing: optional technical standards*' guidance in the PPG states that consideration of the impact on viability and housing supply of a tighter water efficiency requirement should be considered.

The Department for Communities and Local Government Housing Standards Review Cost Impacts (September 2014) and the WRW evidence states that the cost of installing water-efficient fittings to target a per capita consumption of 110l/p/d has been estimated as a one-off cost of £9 for a four-bedroom house¹⁰. The cost of implementing the optional water efficiency standard is therefore minimal. This is supported by the *Climate Change Local Plan Review Viability Assessment – Technical Appendices 2 – May 2021*¹¹. In Appendix C of this document (page 43), the policy review considers the implication of Policy DM30b. It states the implementation of this policy is '*possible*' and that '*water efficiency can normally be achieved through design with minimal cost.*'

Although it is for LCC to consider this cost in the context of their viability assessment, paragraph 14 of the Executive Summary of the *Climate Change Local Plan Review Viability Assessment – Main Report – May 2021*¹² states, '*The findings of the testing show that at the lowest and middle benchmark land values the majority of development can come forward with a full compliment (sic) of policy requirements. Even at the highest benchmark land values a substantial amount of the typologies were still viable, including in Lancaster where the majority of future supply is planned.*'

In consideration of viability, it is worth noting the success of UUW's developer incentive scheme where developers are financially rewarded if they build new dwellings to a tighter water efficiency standard by receiving a reduction in their infrastructure charge for connecting to the public water supply network. Currently, developers are offered a reduction in the cost of the infrastructure charge if they are able to demonstrate achievement of 100 l/p/d.

The target for receiving this incentive was initially set at 110 l/p/d in 2018 (equal to the optional water efficiency standard) but has since been reduced to 100 l/p/d in April 2021. Since introduction of the water efficiency incentive for new build dwellings in 2018 over 86,000 plots have signed up with developers saving around £40 million on fees in the North West. Since April 2021, around 40,000 new dwellings have continued to sign up in spite of the tighter standard. In 2022/23, the

¹⁰ [Housing Standards Review Cost Impacts, Department for Communities and Local Government, September 2014](#)

¹¹ [Climate Change Local Plan Review Viability Assessment – Technical Appendices 2 – May 2021](#)

¹² [Climate Change Local Plan Review Viability Assessment – Main Report – May 2021](#)

water infrastructure charge reduces from £302 per dwelling to £30¹³ as a result of the inclusion of water efficiency measures to 100 l/p/d.

In addition, it is worth noting the consequential economic, social and environmental benefits. Research undertaken for the Welsh Government indicated potential annual savings on water and energy bills for householders of £24 per year as a result of such water efficiency measures¹⁴. The Consumer Council for Water notes that the discretionary, tighter (building) standard of 110 l/p/d is something that should be pursued, also bearing in mind that saving water is not the only driver of water efficiency¹⁵. This is because water efficiency could also have a positive effect on reducing energy bills, water bills of metered customers and carbon emissions thereby reducing the impact on the environment.

8) Inspector's Questions

Q. 3.7: Is Policy DM30b justified and consistent with national policy?

Based on the above policy review, the summarised evidence, the consultation undertaken and the assessment of the cost of delivering the optional water efficiency standard, it is our view that Policy DM30b is wholly justified and consistent with national policy.

Although LCC is not within an EA water stressed area 2021 classification, it is clear that this is not a specific requirement of the PPG to introduce the optional standard for water efficiency. Other forms of evidence can be used to justify the implementation of a tighter water efficiency standard and this evidence has been provided in this statement.

Introduction of the optional water efficiency standard is supported by a number of documents including the '*North West River Basin Management Plan (RBMP) (December 2015)*' and evidence outlined in '*Water Resources West (WRW) Water Efficiency in New Homes (October 2021)*'. Both of these documents support the inclusion of the optional water efficiency standard in the North West. It is also consistent with other national documents namely '*Meeting Our Future Water Needs: A National Framework for Water Resources (March 2020)*', which identifies the need for regional groups to contribute to a national ambition on average per capita consumption of 110 l/p/d by 2050.

¹³ [Charges for a new water connection A quick guide for house builders \(2022/23\) \(United Utilities\)](#)

¹⁴ [Advice on water efficient new homes for England, Waterwise, September 2018](#)

¹⁵ [Response to Defra consultation on measures to reduce personal water use, Consumer Council for Water, October 2019](#)

In addition to support from U UW, the implementation of the policy is supported by the EA following consultation by LCC as part of the preparation of the CER of the Local Plan.

Policy DM30b is therefore justified by the evidence base and following consultation. It accords with both the NPPF and the PPG.

Q. 3.8 Does the Council area meet the Planning Practice Guidance's (PPG) parameters for applying the optional requirement of 110 litres of water per person per day?

When considering whether the Council area meets the PPG parameters for applying the optional requirement the key criteria in the PPG relate to:

- evidence of need;
- whether it is supported by consultation with other bodies; and
- whether consideration has been given to the impact on viability and housing supply.

The issue of evidence of need and whether it is supported following consultation with other bodies has been addressed in our response to question 3.7.

With regards to viability, there is clear evidence which has been outlined in Section 7 of this statement that the cost of implementing the optional water efficiency standard is minimal. This is supported by the '*Climate Change Local Plan Review Viability Assessment (May 2021)*'.

Although, it is for LCC to consider this cost in the context of their viability assessment, U UW notes that the LCC viability assessment states that the majority of development can come forward with a full complement of policy requirements and that the majority of development remains viable. Ultimately, there is always scope for an applicant to present evidence to demonstrate viability issues to take account of exceptional site-specific circumstances and it would be for the council to consider these on a case-by-case basis.

9) Conclusions

U UW wholly supports the adoption of Policy DM30b. Evidence is presented to demonstrate that the policy is justified and consistent with the PPG. The Policy has also undergone consultation with U UW and the EA, who have shown support for the tighter water efficiency standard. It is demonstrated that the tighter water efficiency requirement will have negligible cost impact. Alongside this assessment, it is notable that there is an incentive offered by U UW to encourage additional water efficiency in new homes which has had a highly successful uptake rate to date.

Although the area is not within an EA water stressed area, the National Framework identifies WRW as having the second highest pressures on water resources in the country. This is due to a combination of population growth, climate change and environmental protection measures coupled with the future demand for housing growth in the region.

It is important that the tighter water efficiency standard is adopted to ensure future water availability and supply to the region in line with the North River Basin Management Plan and the WRW evidence. The introduction of the policy will have economic, social and environmental benefits consistent with the purpose of the planning system to achieve sustainable development. Therefore, it is the view of U UW that Policy DM30b should be adopted.