
Title: Consultation on the Planning Policy Statement: Planning for a Low Carbon Future in a Changing Climate – March 2010

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Briefing note: Summary of the draft PPS1 Supplement and its policy recommendations in relation to decentralised energy

The views in this report are the authors' own and do not necessarily reflect those of the London Development Agency or its member organisations

1. Background

On 9 March 2010, the Department of Communities and Local Government (CLG) issued for consultation a revised version of its guidance on planning and climate change (*Consultation on a Planning Policy Statement: Planning for a Low Carbon Future in a Changing Climate*). The government states in the consultation paper that the cross-cutting importance of climate change to planning is signalled by the fact that the issue is set out as a supplement to *PPS 1: Delivering Sustainable Development*, which sets out the overarching planning policies on the delivery of sustainable development through the planning system.

The consultation document brings together the *Planning and Climate Change supplement to PPS 1* with the 2004 *PPS 22 on Renewable Energy* into a new draft PPS on *Planning for a Low Carbon Future in a Changing Climate*. This new PPS will replace the 2007 and 2004 PPS and it is proposed that it will become a consolidated supplement to PPS 1. This will support and provide an overarching framework for *PPS 25 on Development and Flood Risk* and emerging planning policies on green infrastructure (to be consulted on separately).

In the context of the LDA Decentralised Energy Master Planning (DEMaP) programme work, this note focuses on the draft PPS and its policy recommendations **related to decentralised energy**.

2. Context

The government first published a planning supplement on climate change in December 2007. The new PPS states that the reason the

¹ This will support and provide an overarching framework for PPS 25 on Development and Flood Risk and emerging planning policies on green infrastructure (to be consulted on separately).

government is consulting only two years after publishing that first supplement, is because of the significant amount of new policy relating to climate change and energy introduced over this period. This includes new legislation, such as the Climate Change Act 2008, and the government's Renewable Energy Strategy, along with the requirement for zero carbon homes by 2016, and the Household Energy Management Strategy. A new duty is also set out in the Planning Act 2008 for local development frameworks (LDF) to include policies within them on climate change, ensuring that they make a contribution to the mitigation of, and adaptation to, climate change.

In relation to renewable energy, in order to ensure regions take a consistent approach in estimating their renewable energy resource and targets, which are, critically, in line with the government's 15 per cent UK renewable energy target for 2020, CLG and DECC issued a new renewable energy methodology outline to the regions in January 2010.

3. Overview of Decentralised Energy

In relation to its consideration of decentralised energy, the new draft PPS has moved on very significantly from the 2007 version. The full list of policy requirement in relation to planning authorities on decentralised energy are summarised in Appendix 1 of this note.

The PPS now states that local planning authorities should assess their area for opportunities for decentralised energy, with policy LCF 1.4 of the draft stating in detail that the assessment should focus on opportunities at a scale which could supply more than an individual building and include up-to-date mapping of heat demand and possible sources of supply.

The PPS goes on to state that local planning authorities should in particular look for opportunities to secure:

- i. decentralised energy to meet the needs of new development;
- ii. greater integration of waste management with the provision of decentralised energy;
- iii. co-location of potential heat suppliers and users; and
- iv. district heating networks based on renewable energy from waste, surplus heat and biomass, or which could be economically converted to such sources in the future.

Specific policies are now set in place in the PPS to promote the use of decentralised energy. These are:

- Policy LCF 7, which sets out the requirements for the local planning approach to setting requirements for using decentralised energy in new development; and

- Policy LCF 8, which outlines the local planning approach to setting authority-wide targets for using decentralised energy in new development.

Referencing the 2009 analysis by Poyry² for DECC, the impact assessment of the PPS states that the output from that work suggests the importance of public sector involvement in addressing the current high levels of risk for developers who are considering the construction of a district heating scheme. A key factor in reducing risk for developers is the need to identify sufficient heat demand or anchor loads for the energy development. The PPS hence suggests that initially district heating is likely to be suited to three main groups: new development; public buildings; and large non-domestic buildings.

The PPS now expects planning authorities to assess opportunities for decentralised energy, focusing on opportunities “at a scale which could supply more than an individual building”. The requirement to undertake heat mapping and prepare a strategy for delivering decentralised energy means that a network can be planned to achieve maximum efficiency through, for instance, careful siting of the relevant plant and identification of anchor loads for the network. The PPS supports the work currently being undertaken by the LDA's DEMaP programme, stating that Local Planning Authorities (LPAs) are in a position to make connections and identify opportunities for district heating that a developer would may be unable to deliver, or that would not be commercially viable without public sector support.

In relation to the recent zero carbon requirements for buildings supporting the delivery of decentralised energy, the PPS states that the Government is currently considering the scope and delivery mechanisms for allowable solutions which could be delivered locally, and therefore would be set out in a DPD policy on decentralised energy. The Government's decisions on allowable solutions will be reflected in the final PPS.

4. Next Steps

A deadline for responses to the consultation is 1 June 2010, with an ambition to publish a final version before the end of this year. The new coalition government has not however referred to the PPS, or decentralised energy, or the zero carbon targets for housing, in its recently released “programme for government” document³ hence little information in relation to the government's priorities in this area is currently available.

5. Further information

² The Potential and Costs of District Heating Networks, Poyry Energy Consulting/Faber Maunsell, DECC (2009)

³ The Coalition: our programme for government, 20 May 2010

The PPS can be downloaded from the following link:

<http://www.communities.gov.uk/publications/planningandbuilding/ppscimateconsultation>

Appendix 1: Policy requirements in relation to decentralised energy as set out in the draft PPS are as follows.

Policy LCF 1: Evidence base for plan-making

LCF1.4 Local planning authorities should assess their area for opportunities for decentralised energy¹⁴. The assessment should focus on opportunities at a scale which could supply more than an individual building and include up-to-date mapping of heat demand and possible sources of supply. Local planning authorities should in particular look for opportunities to secure:

- i. decentralised energy to meet the needs of new development;
- ii. greater integration of waste management with the provision of decentralised energy;
- iii. co-location of potential heat suppliers and users; and,
- iv. district heating networks based on renewable energy from waste, surplus heat and biomass, or which could be economically converted to such sources in the future.

Policy LCF 2: Regional planning approach

LCF2.1

- ii. provide for energy, in particular heat, to be gained from existing decentralised energy systems, including those integrated with waste management, or where there are clear opportunities for new or extended decentralised energy systems;

Policy LCF 3: Local planning approach for a low-carbon future in a changing climate

LCF3.1 Local development frameworks should support the move to a low-carbon economy and secure low-carbon living in a changing climate. This should be reflected in the vision for how the area and the places within it should develop and respond to local challenges and opportunities.

Policy LCF 4: Local planning approach for renewable and low-carbon energy and associated infrastructure

LCF4.1 Local planning authorities should:

- i. design their policies to support and not unreasonably restrict renewable and low carbon energy developments;

ii. ensure any local criteria-based policies, including local approaches for protecting landscape and townscape, that will be used to assess planning applications for renewable and low-carbon energy and associated infrastructure:

a. provide appropriate safeguards, so that any adverse impacts are addressed satisfactorily, but do not preclude the development of specific technologies other than in the most exceptional circumstances;

b. expect the scale and impact of developments in nationally recognised designations¹⁶ to be compatible with the purpose of the designation;

c. are informed by the approach and policies set out in the National Policy Statements for nationally significant energy infrastructure;

iii. ensure the development of renewable energy in any broad area set out in the regional strategy for where the substantial development of renewable energy is anticipated is not prejudiced by non-energy developments;

iv. set out how any opportunities for district heating (to supply existing buildings and/or new development) identified through heat mapping will be supported;

v. set out the decentralised energy opportunities that can supply new development proposed for the area; and,

vi. support opportunities for community-led renewable and low carbon energy developments, including the production, processing and storage of bioenergy fuels.

LCF4.2 Strategic sites which are central to delivering the local planning approach for decentralised energy should be allocated in the core strategy.

Policy LCF 6: Local planning approach for selecting sites for new development

LCF6.1 Local planning authorities should assess the suitability of sites for new development, and for what type and intensity of development, against the following criteria:

i. the extent to which existing or planned opportunities for decentralised energy could contribute to the energy supply of new development on the site;

- ii. the potential for new development on the site to contribute heat demand where a heat network exists or could be provided;

Policy LCF 7: Local planning approach to setting requirements for using decentralised energy in new development

LCF7.1 Local requirements for decentralised energy should be set out in a development plan document (DPD) and be derived from an assessment of local opportunities in line with LCF1.4. Local requirements for decentralised energy should:

- i. relate to identified development areas or specific sites;
- ii. be consistent with giving priority to energy efficiency measures; and,
- iii. focus on opportunities at a scale which developers would not be able to realise on their own in relation to specific developments.

LCF7.2 Local requirements should be consistent with national policy on allowable solutions set out in support of the zero carbon homes and buildings policy.

LCF7.3 Where there are existing, or firm proposals for, decentralised energy supply systems with capacity to supply new development, local planning authorities can expect proposed development to connect to an identified system, or be designed to be able to connect in future. In such instances, and in allocating land for development, local planning authorities should set out how the proposed development would be expected to contribute to the decentralised energy supply system.

LCF7.4 If a local requirement is set out as a target for the use of decentralised energy in new development the target should be expressed as either:

- the percentage reduction in CO₂ emissions to be achieved. In doing so, local planning authorities should set out how the target relates to standards for CO₂ emissions set by Building Regulations; or,
- an amount of expected energy generation expressed in kWh.

LCF7.5 Where a local requirement relates to a decentralised energy supply system fuelled by bioenergy, local planning authorities should not require fuel sources to be restricted to local sources of supply.

Policy LCF 8: Local planning approach to setting authority-wide targets for using decentralised energy in new development

LCF8.1 The progressively demanding standards for CO2 emissions set through Building Regulations, together with the assessment of local opportunities for renewable and low carbon energy, will help drive greater use of decentralised energy. Targets for application across a whole local authority area which are designed to secure a minimum level of decentralised energy use in new development will be unnecessary when the proposed 2013 revisions to Part L of the Building Regulations (for both domestic and non-domestic buildings) are implemented. As an interim measure until the coming into force of the 2013 revisions, the Secretary of State will support the application of authority-wide targets where these are included in the development plan. At the local level, any target should be in a DPD and have met the tests in LCF11.

Policy LCF 11: Testing local planning requirements

LCF11.1 A local requirement relating to decentralised energy, a building's sustainability or for electric vehicle charging infrastructure, will only be acceptable where the local planning authorities can demonstrate that it:

- i. would not make new development unviable having regard to the overall costs of bringing sites to the market, including the costs of any necessary supporting infrastructure;
- ii. is, in the case of housing development, consistent with securing the expected supply and pace of housing development shown in the housing trajectory required by PPS3, and does not inhibit the provision of affordable housing; and
- iii. will be implemented and monitored without duplication of applicable rating or assessment systems.

Policy LCF 13: Designing for a low carbon future in a changing climate

LCF13.1 Local planning authorities should engage constructively with developers to deliver well-designed, sustainable buildings and high-quality local environments suitable for low-carbon living in a changing climate.

LCF13.2 In determining planning applications, local planning authorities should expect proposed new development to:

be designed to reduce greenhouse gas emissions by:

- a. using landform, layout, building orientation, massing and landscaping to reduce likely energy consumption;

b. using the layout, density and mix of development to support identified opportunities for decentralised energy;

c. connecting to an existing decentralised energy supply system where there is capacity to supply the proposed development, or being designed for a future connection where there are firm proposals for such a system;

Policy LCF 14: Renewable and low carbon energy generation

LCF14.1 Local planning authorities should ensure their development management does not prevent, delay or inhibit proposals for renewable and low carbon energy, and associated infrastructure, which could be permitted having regard to the objectives and policies in this PPS.

LCF14.2 In determining planning applications for the development of renewable or low carbon energy, and associated infrastructure, local planning authorities should:

...

iv. expect developers of decentralised energy to support the local planning approach for renewable and low-carbon energy set out in the local development framework and, if not, provide compelling reasons consistent with this PPS to justify the departure; but, otherwise, not question the energy justification for why a proposal for renewable and low carbon energy must be sited in a particular location;

Policy LCF 15: Safeguarding renewable and low carbon energy supplies

LCF15.1 In determining planning applications, planning authorities should consider the likely impacts of proposed development on:

i. existing or other proposed development and their supply of, or potential for using, decentralised energy; and,

ii. existing, or proposed, sources of renewable or low carbon energy supply and associated infrastructure.