Model policies for energy in neighbourhood plans

This document sets out model policies that could be used by neighbourhood planning groups with high ambitions for the delivery of sustainable energy in their area, and discusses the issues that developing and delivering these policies can entail. It has been developed through research on existing practice, as well as drawing in planning expertise from: Hugh Ellis of the TCPA; Dan Nicholls from Cornwall Council; and Phil Baker from South Hams District Council. We are grateful for their contributions.

Our model policies are worded to be ambitious to test the limits of what is achievable through neighbourhood planning. Neighbourhood planning groups could adapt the policies in line with the local level of ambition and evidence base.

Neighbourhood plan policies must have regard for national planning policy and guidance and be in broad conformity with the area's Local Plan. They are set within the overall national context by the National Planning Policy Framework (NPPF):

> "2. The National Planning Policy Framework must be taken into account in the preparation of local and neighbourhood plans, and is a material consideration in planning decisions. Planning policies and decisions must reflect and where appropriate promote relevant EU obligations and statutory requirements".

In addition, the UK has committed to cutting greenhouse gas emissions by 80% from 1990 levels by 2050. This commitment is supported by a European commitment to generate 15% of our total energy demand by 2020. These targets are not devolved to local authority areas, but the neighbourhood plans must have policies which are designed to contribute to contribute to climate change mitigation and adaptation due to the following national policies:

1. Section 19 of the Town and Country Planning Act 2004 (as amended by the Planning Act 2008) states that: "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."

2. The NPPF expands on this duty, stating that "local planning authorities should adopt proactive strategies to mitigate and adapt to climate change (In line with the objectives and provisions of the Climate Change Act 2008)." The primary duty of the Climate Change Act 2008 is "to ensure that the net UK carbon account for the year 2050 is at least 80% lower than the 1990 baseline." (Part 1, Schedule 1).

Due to these legal obligations, in order to be found to be sound at the examination stage, policies within a neighbourhood plan are required to have a positive impact on reducing carbon within the area. Further work is needed to develop a standard method to enable neighbourhood planning groups to undertake a carbon assessment of their plan.

Potential policies on energy for inclusion with neighbourhood plans

1. New development policies

a. Policies on energy standards in new housing developments

National policy context

The NPPF states that "when setting any local requirement for a building's sustainability, [local planning authorities should] do so in a way consistent with the Government's zero carbon buildings policy and adopt nationally described standards." However, the 2016 zero carbon homes standard was scrapped by the current government, meaning that energy requirements within building standards (Part L) are currently paused at 2013 standards. 2013 standards offer only a 6 % carbon dioxide saving on new housing developments against the previous 2010 standard.

As EU members, the UK is still required to meet the Energy Performance of Buildings Directive (EPBD) target for all new buildings in the EU to be 'Nearly Zero-Energy Buildings' from 2020. According to Article 9 of the Directive: "1. Member States shall ensure that: (a) by 31 December 2020, all new buildings are nearly zero-energy buildings; and (b) after 31 December 2018, new buildings occupied and owned by public authorities are nearly zero-energy buildings." Article 2 states that [..] 'nearly zero-energy building' means a building that has a very high energy performance [..]. The nearly zero or very low amount of energy required should be covered to a very significant extent by energy from renewable sources, including energy from renewable sources produced on-site or nearby.[..].

The Housings Standards Review (2015) set out the intention to remove the ability for local planning policies to require higher than building regulations standards for new domestic developments, as well as stating an intention to scrap the Code for Sustainable Homes. However, the legislation to enable this intention has not yet been enacted, so it remains in guidance only. The government's intention is that building regulations are sufficient and that higher standards place an undue burden on developers. Policies requiring on site energy generation (Merton rule style policies) were not affected by the Housing Standands Review.

Model policy wording:

Policy (a): *If we are to limit the increase in global temperature rises to a level that will avoid the worst impacts, new housing development must not emit greenhouse gas emissions. Proposals for housing development must therefore demonstrate how all (100%) of the energy requirements of the development will be met from renewable and low carbon energy sources.*

Where the energy requirements of the proposed development cannot be met from onsite installations, developers must first demonstrate that all feasible steps have been taken to minimise energy consumption on the site and then identify and secure alternative sources of renewable and low carbon energy generation to meet the needs of the development.

In demonstrating that the development will meet this requirement, developers are encouraged to work with community energy organisations to provide the necessary energy generation.

Comments on model policy:

We believe that a Merton style policy is the most effective policy type available at present to achieve higher energy standards in new development. Merton-style policies, if strong enough (e.g. relating to 100% of energy use, rather than 10 or 20%), are not only a driver for onsite renewables, but also for maximising energy efficiency; if a development has high energy use due to a lack of energy efficiency measures, a big investment in renewables is required. If energy efficiency measures have been maximised, it will be relatively straightforward (and cost-effective) to meet the small residual demand through onsite renewables.

Arguments for including a policy on higher energy standards in new developments:

- As set out in the introduction, the NPPF and the Town and Country Planning Act (2004) set out a legal requirement for local plans (including neighbourhood plans) to have a positive impact on reducing carbon. In order to be found sound at examination, neighbourhood plans must therefore include policies to reduce carbon emissions; a policy on energy in new developments would have a huge impact on reducing emissions, given the long lifespan of buildings.

- The UK Carbon Plan (HM Gov, 2011) states that if we are to achieve the 2050 carbon target "by 2050 the emissions footprint of our buildings will need to be almost zero" (page 30). The English Housing Survey (2008) identified that nearly 80% of the current housing stock was built more than 34 years ago. The reality is that homes we build today will still be in use in 2050 when all our housing stock must be almost zero carbon. The homes we build today must be built to run without emitting greenhouse gas emissions, or they will add to the costly retrofit requirements of our existing building stock over the next 30 years.

  The model wording sets out an ambitious approach. However, if the policy's ambition for 100% of energy demand being met from renewable and low carbon energy is scaled back to lower levels, the properties built will need to be retrofitted before 2050. Retrofitting is more expensive and therefore less efficient than building to high standards in the first instance; and the cost of retrofit falls either to the owner or the tax payer where government retrofit programmes are in place.

- Around 140,000 new homes are built each year, which analysts suggest needs to rise to 240,000 per year to meet current demand. Over 1 million new homes could be built before the EU directive comes into force at the end of 2020. That represents a hugely significant missed opportunity to reduce carbon emissions from new homes – homes, which will be emitting excess carbon for at least the next 100 years. A local figure for carbon savings based on local housing figures should be calculated. Further work could be undertaken to develop a standard method to enable neighbourhood planning groups to undertake a

carbon assessment of this policy and their plan as a whole – as needed to comply with the Town and Country Planning Act requirement.

- Onsite energy generation policies were not affected by the Housing Standards Review and so remain as a policy instrument with a clear policy basis.
- The NPPF states that local policy should be in line with the government's policy on zero carbon homes – a policy which is now absent, despite the need for all homes to be zero carbon by the end of 2020.
- Our engagement shows that local people tend to be exasperated with the overall low quality of new development in their area. A local energy requirement is often well supported by the local community as a means to improve the quality of new homes.

Issues with this type of policy

Viability: Viability will be the key issue with getting this type of policy through the examination. Developers with an interest in the area are likely to argue strongly against it, as under conventional business models, it places an additional burden on them.

We believe, however, that this policy is viable if an innovative approach is taken. It is possible for the necessary energy infrastructure to be developed, owned and operated by a third party at no extra cost to the developer (in fact there may be a cost saving for the developer – e.g. if a district heat network is delivered, the developer will avoid the cost of putting in individual heating solutions). Potential partners might include:

- A local community energy group who set up a Community Energy Services Company (CESCo) to deliver, own and operate the energy infrastructure
- A national or local Community Interest Company who have a business model that enables them to deliver the energy infrastructure for the benefit of the local community
- A third party infrastructure provider who develops, builds and owns and operates for the long-term infrastructure for the site. Metropolitan (http://www.met-i.co.uk/) is a low carbon infrastructure provider who are able to operate under that business model. They are currently developing the major King's Cross development. There is a gap in the market for other providers to enter this space, following Metropolitan's lead. Local policies of this kind would encourage the development of this market.

Long term revenues from this approach are generated through the local sale of energy to the occupiers of the new development, ensuring that the business model can stack up (given appropriate site conditions) in a subsidy free world. Metropolitan, for example, are able to charge below market rates (currently the lowest price in the UK) for the heat that they provide at their King's Cross development so the occupiers of the new development also benefit from reduced energy bills, which may also tackle fuel poverty for some.

This model offers a range of potential benefits for the local community, including cheaper running costs for the occupiers, the creation of locally retained revenue streams, which can include community benefit funds, and local job creation.

Where neither a third party provider or the local community are willing to contract with the developer under this type of model because they cannot get the business model to work, it could be concluded that for that development the policy is not viable. In order to prove that the policy was not viable on a particular site, the developer would need to prove that they have negotiated with appropriate third party and community providers who were not willing to go ahead.

Verification: Developers will be required to submit evidence, at the planning stage, which demonstrates that their scheme complies with the policy, providing sufficient detail and clarity to enable a condition to be imposed and complied with. Post construction monitoring may be required. Post occupation monitoring might be a good idea to verify compliance.

Alternative approach to new development policies

The alternative to a policy requiring higher standards is to include a policy that supports developments going beyond building regulations. However, of course, this is not as strong as a policy requiring higher standards and many developers may choose simply to ignore a policy that is about encouragement rather than requirement.

One alternative, innovative approach that we reviewed to energy in new developments came from Frome NP, which states:

> *The Town Council encourages the development of homes that exceed the minimum Code for Sustainable Homes requirements from the development plan.*
>
> *Where it can be verified that new residential developments have exceeded (verified post occupation) the requirements of Building Regulations part L1A (conservation of heat and power, new dwellings) Frome Town Council will provide an appropriate refund of Community Infrastructure Levy based on the funds it receives through that process from that development.*
> ***Frome Neighbourhood Plan (under examination Feb 2016)***

The policy not only encourages higher standards but incentivises them. In principle this approach appears to be an innovative alternative to requiring higher standards. However, there may be practical issues with its implementation. Firstly, this type of policy would only be applicable in a local area where the local authority has an adopted CIL. Secondly, for a CIL refund to be offered, there needs to be third party verification that the development has exceeded the current standards, which brings a cost, in addition to the cost of exceeding the standards. It may be that the cost of the energy measures plus the cost of the verification outweigh a sizeable proportion or all of the CIL refund which is offered, meaning that the incentive to deliver to an improved standard is lost.

Frome NP is currently under examination so we will observe the outcome of the examination.

Another alternative approach to energy efficiency standards in new developments has been proposed Calne in Wiltshire in their neighbourhood plan, as advised by Nigel McGirk. They have identified that the area has the ability to identify additional housing sites beyond the 5 year supply set out in the local plan. As these sites are additional, it is possible through discussions with landowners / developers, to require exceptional sustainability performance for those sites:

E.g. number of self-built approaching "zero-carbon" or "Passivhaus" quality benchmarks (standards)

b. Non-domestic development policies

National policy context

The UK target for zero carbon non-domestic buildings in 2019 was dropped in 2015 through the Productivity Plan. There remains a requirement under the EU directive for 'Nearly Zero-Energy Buildings' from the end of 2020 (and from 2019 for public buildings).

Local policies can still require higher non-domestic standards as these were not affected by the Housing Standards Review. BREEAM is the standard that tends to be used in local policies to specify higher performance levels for non-domestic buildings. The BREEAM assessment process evaluates the procurement, design, construction and operation of a development against targets that are based on performance benchmarks. Assessments are carried out by independent, licensed assessors, and developments rated and certified on a scale of Pass, Good, Very Good, Excellent and Outstanding.

Model policy wording:

Model policy (b): *All new non-residential buildings should achieve the following standards:*

- *In the period ending June 2017, BREEAM Good;*
- *In the period from July 2017 to June 2020, BREEAM Very Good;*
- *In the period from July 2020 onwards, BREEAM Excellent.*

Arguments for including a non-domestic policy

- Non-domestic buildings are a significant source of carbon emissions. The NPPF requires local policies to reduce carbon emissions; a policy on non-domestic buildings could reduce emissions.

Issues with non-domestic policies

Viability

BREEAM standards are exacting, covering the range of sustainability issues, not just energy. As a result, they can place an additional burden on developers. However, a report by Tata Steel and the British Constructional Steelwork Association (BCSA) in 2011-12, Target Zero [1][2][3][4][5] researched the

[1] Target Zero, Guidance On The Design And Construction Of Sustainable, Low Carbon Office Buildings, Jan 12

most cost-effective routes to achieving a BREEAM rating of five building types using 2008 BREEAM standards. The studies found that the percentage estimated capital cost uplift to achieve the ratings was low:

Table 1: Target Zero increase in cost research findings

Scheme type	Very Good	Excellent	Outstanding
Mixed use	0.14%	**1.58%**	4.96%
Offices	0.17%	**0.77%**	9.83%
Schools	0.2%	**0.7%**	5.8%
Supermarkets	0.24%	**1.76%**	10.1%
Warehouses	0.4%	**0.4%**	4.8%

In addition, in 2012, BSRIA (owned by The Building Services Research and Information Association) surveyed the construction industry and its clients[6]. They found that 'less than half of those surveyed had incurred significant extra costs of their latest BREEAM rated project with many of those saying that the additional costs were not necessarily a bad thing'. 'Some clients for example saw them as an investments in the future – the pay-back being a reduction in a building's running costs. Similarly, most of the supply chain thought that clients could recover the additional costs of BREEAM.'

Non-domestic development brings with it the potential for economic development, including job creation as new workplaces are built. Unlike domestic developments, for some areas, attracting non-domestic developers can be difficult and placing additional requirements on developers can drive them to build elsewhere, slowing up the provision of employment stock. There needs to be a strong process to weigh up the costs and benefits of a non-domestic policy – local commercial agents should be brought into the process to give their view.

Verification:

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[2] Target Zero, Guidance On The Design And Construction Of Sustainable, Low Carbon Mixed-Use Buildings, Jan 12

[3] Target Zero, Guidance On The Design And Construction Of Sustainable, Low Carbon School Buildings, Feb 10

[4] Target Zero, Guidance On The Design And Construction Of Sustainable, Low Carbon Supermarket Buildings, Jun 11

[5] Target Zero, Guidance On The Design And Construction Of Sustainable, Low Carbon Warehouse Buildings, Jun 11

[6] BSRIA Report, The Value of BREEAM, James Parker, 2012

BREEAM standards need monitoring pre and post construction. It needs to be clear that the burden of evidence for this is on the developer. However, this can present an extra cost and so disincentive for investing in the area, compared to a site in an area without this policy in place.

Alternative approaches

Rather than requiring additional non-domestic standards, non-domestic development could be wrapped into a general new development policy, such as the model policy (a) set out above that requires the development to use a percentage of renewable or low carbon energy. Viability would still need to be strongly considered, to ensure this policy is not a significant disincentive to new employment stock.

Alternatively a policy could simply require that all new non-domestic buildings have solar PV on their roofs. This PV could be delivered by a third party commercial or community organisation. There is strong backing for this approach through the UK Solar PV Strategy part II which includes commercial and industrial roofs as a key target growth area for the industry.

Alternative model policy wording

Model policy (c): *All new non-domestic buildings must have solar PV on their roofs. Where a developer is unable to deliver the solar PV installation, they need to demonstrate that they have worked in detail with a 3rd party (commercial or community) to assess the opportunity. Where the opportunity is not currently viable due to market conditions, the developer must ensure that the roof is built to a standard that could accommodate PV in the future.*

c. District heat network policies

National policy context

The government is keen to see increased deployment of district heat networks. Its Heat Network Delivery Unit is providing funding to local authorities to facilitate the delivery of heat networks across the UK.

The NPPF states: "To help increase the use and supply of renewable and low carbon energy, local planning authorities should recognise the responsibility on all communities to contribute to energy generation from renewable or low carbon sources. They should:.....identify opportunities where development can draw its energy supply from decentralised, renewable or low carbon energy supply systems and for co-locating potential heat customers and suppliers...."

Model policy wording

Model policy (d): Major new development will be expected to incorporate district heating infrastructure in line with the following hierarchy:

1. *Where there is an existing heat network, new developments will be expected to connect to it.*

2. *Where there is no existing network, new developments will be expected to deliver an onsite heat network, unless demonstrated that this would render the development unviable.*

3. *Where a developer is unable to deliver the heat network themselves, they need to demonstrate that they have worked in detail with 3rd parties (commercial or community) to assess the opportunity.*

4. *Where a heat network opportunity is not currently viable and no third party is interested in its delivery, the development should be designed to facilitate future connection to a heat network unless it can be demonstrated that a lower carbon alternative has been put in place – e.g. Passivhaus standard.*

New development will be expected to demonstrate that the heating and cooling systems have been selected according to the following heat hierarchy:

1. *Connection to existing CHP/CCHP distribution networks*

2. *Site-wide renewable CHP/CCHP*

3. *Site-wide gas-fired CHP/CCHP*

4. *Site-wide renewable community heating/cooling*

5. *Site-wide gas-fired community heating/cooling*

6. *Individual building renewable heating*

Comments on model policy:

There are two potential options for heat network policy development that can be used together or separately. The first is to have a policy that requires all new development to include a heat network. The second is to use heat mapping to identify existing areas and planned developments with suitable heat loads to support a network and to designate these as "heat priority areas". Developments within these areas can then be required to incorporate or connect to heat networks. Model policy (d) could be adapted to be a heat priority area policy with the inclusion at the start of it of the words "In heat priority areas,..."

Arguments for including a district heat policy

- Without a local policy on district heat, most developers will not consider developing a network. A neighbourhood plan policy can either add significant weight to a local plan policy or where there is no local plan policy, will have a significant impact on its own.

- A policy that helps to identify Heat Priority Areas can really help to drive activity in those pre-selected focus areas. However, it may also be worth including an area wide policy, in particular to drive activity on rural heat networks, where consideration of a heat network is otherwise unlikely to take place.

Issues with this type of policy

Careful consideration of the intention of this policy is needed. A district heat network may not always be the most efficient way of producing low carbon homes – for example, homes could be built to very high energy efficiency standards or PassivHaus, which would make a district heat network uneconomical and unnecessary. Model policy (d) allows for this eventuality by including provision to demonstrate *"that a lower carbon alternative has been put in place – e.g. Passivhaus standard."*

If a neighbourhood plan includes model policy (a) (requiring new developments to source 100% of their energy from renewable and low carbon sources), then it could be argued that a separate district heating policy is not needed, as a district heat network is likely to be considered in meeting the requirements of model policy (a). However, it can also be useful to include a separate policy to ensure that developers are aware of the intention that all new developments should consider district heat networks in detail as a way of meeting the renewable/low carbon energy requirement.

Viability

As with the other new development policies, a district heat policy introduces issues of viability. However, as with our model new housing development policy (model policy a), we believe that new business models can deliver heat networks – through 3rd party commercial or community providers. As a result, we believe viability can be addressed on a site by site basis, shown by whether or not there are 3rd party providers willing and able to make the business model work for the site.

In order to prove that the policy was not viable on a particular site, the developer would need to prove that they have negotiated with appropriate third party and community providers who were not willing to go ahead. At the very least, this type of policy will catalyse local action within the community to assess whether opportunities could be of interest to the community.

d. Custom build/self build policies

Self-builders tend to opt for 'higher than standard' energy efficiency and sustainability measures voluntarily. We did not discuss this policy area in great detail, as although it has implications for energy use in the area, this is really a housing policy issue.

The draft Frome neighbourhood plan includes the following provision on self-build:

> ***Frome Neighbourhood Plan (under examination Feb 2016)***
> *POLICY H4 - DELIVERING MAJOR PROJECTS Any development which, as a whole or by the sum of parts provides over 100 houses are essentially creating a new community and as such shall be regarded as a community development, and as such developers will be required to set out a management plan detailing how members of that community will interact with each other and the wider Frome population. Planning applications will be expected to include:*
> *....Provision for serviced plots to be made available for self build or custom build housing*1 equivalent in number to at least 5% of the total housing numbers. *1 (as defined as a*

development where the future owner or occupier has a direct or indirect influence on the design, planning and construction of the property.)

A site specific policy may be a stronger approach to this type of policy, than the area wide policy set by Frome.

2. Existing building policies

a. Retrofitting historic buildings

National policy context

Planning policy is not able to actively get more historic building owners to retrofit their properties with energy efficiency measures. What it can do is make sure that these buildings are not prevented from being retrofitted by planning – e.g. because listed building officers at the Council deny them consent for measures.

This is a major issue for Bath & North East Somerset Council due to their historic stock and World Heritage status. They have written a Supplementary Planning Document which sets out in detail what measures will or will not be appropriate for historic stock:
http://www.bathnes.gov.uk/sites/default/files/sitedocuments/Planning-and-Building-Control/Planning-Policy/Sustainable-and-Retrofitting/listed_building_guidance_-_energy.pdf

Historic England have also written guidance on this issue:
https://historicengland.org.uk/advice/technical-advice/energy-efficiency-and-historic-buildings/

Model policy wording

Model policy (e): *The sensitive retrofitting of energy efficiency measures and the appropriate use of micro-renewables in historic buildings will be encouraged, including the retrofitting of listed buildings, buildings of solid wall or traditional construction and buildings within in conservation areas, whilst safeguarding the special characteristics of these heritage assets for the future.*[7] *Historic buildings should be retrofitted in line with current guidance from Historic England https://content.historicengland.org.uk/images-books/publications/planning-responsible-retrofit-of-traditional-buildings/responsible-retrofit-trad-bldgs.pdf/*

Arguments for including an historic buildings policy

[7] Model policy wording from Dan Stone, Centre for Sustainable Energy, based on Bath & North East Somerset Council Supplementary Planning Document
http://www.bathnes.gov.uk/sites/default/files/sitedocuments/Planning-and-Building-Control/Planning-Policy/Sustainable-and-Retrofitting/listed_building_guidance_-_energy.pdf

- In some areas, historic building stock may make up a significant proportion of current building stock and local planning authority policy on this issue may be limited. An encouraging policy may help to demonstrate local support for sympathetic historic retrofit and to encourage building owners to take action.

Issues with this type of policy

- This policy is limited in its impact as it can only encourage historic retrofit, rather than require it. In particular, for some areas, this type of policy will add little if there is strong local policy in place. For other areas with limited historic stock, it might be felt that national guidance is adequate to cover this issue.

b. Policy to require consequential improvements to the energy efficiency of homes and/or non-domestic buildings where extensions or other changes requiring planning permission are made.

National policy context

This policy type means, for example, that someone requiring planning permission to extend their home would need to upgrade the energy efficiency of the whole house at the same time. It was due to become a national policy, but was scrapped in the Housing Standards Review process in 2015 – as the government believed it would stop people improving their homes (with negative effects for the economy).

Some neighbourhood plans have included this type of policy within their plans and as a result it is included here as it is something a Plan can do on energy. However, we do not recommend its inclusion, because:

- its impact would be limited to a small number of extensions requiring planning permission and therefore it is not a route to achieve extensive retrofit in the area;
- it would be difficult for a local authority to enforce as it requires additional work to a building that is not the subject of the planning application.

Example of policy wording – we don't recommend including this type of policy

Example policy (f): Where an existing building is extended or refurbished, or there is a change of use:

- *the features referred to high quality, thermally efficient building materials; double glazing (at a minimum); and cavity walls and loft insulation should be included where technically feasible;*
- *consideration should also be given to upgrading the whole property to meet higher energy efficiency standards;*
- *in the case of residential development, the average household SAP rating should be improved or increased by a grade (e.g. from E to D);*

Arguments for including a consequential improvements policy

- It is the only way that planning policy can have any impact on the energy efficiency of existing properties.

Issues with this type of policy

- Many extensions will be permitted development under current planning rules and so this policy will be limited in its application.
- It is difficult for the local authority to enforce as the policy applies to a building that is not the subject of the planning application.
- Some policies link the need for measures to the size of the extension compared with the size of the house – e.g. *where an extension increases the size of a building by more than 30%, on-site energy generation from renewable sources should be incorporated into the site where feasible.* This type of policy will have a disproportionate impact on those whose existing home is smaller – likely those who are less wealthy.
- This policy acts upon those who already live within the community, i.e. it is people living in the community who would have to pay to have additional measures installed. As a result, it is more likely to be met with resistance from the local community.

3. Renewable energy policies

a. Policies supporting renewable energy

National policy context

NPPF states: "To help increase the use and supply of renewable and low carbon energy, local planning authorities should recognise the responsibility on all communities to contribute to energy generation from renewable or low carbon sources. They should:

- have a positive strategy to promote energy from renewable and low carbon sources;
- design their policies to maximise renewable and low carbon energy development while ensuring that adverse impacts are addressed satisfactorily, including cumulative landscape and visual impacts;..."

National planning policy guidance[8] and National Policy Statement for Renewable Energy Infrastructure (EN-3)[9] set detailed criteria that local authorities must consider when determining

[8] http://planningguidance.communities.gov.uk/blog/guidance/renewable-and-low-carbon-energy/particular-planning-considerations-for-hydropower-active-solar-technology-solar-farms-and-wind-turbines/

renewable energy planning applications. Local policies should not repeat the national guidance but instead identify locally significant issues and features that need particular protection.

Model policy wording

Model policy (g): [Area name] has a strong ambition to be at the forefront of the drive to reduce carbon emissions in order to fight against irreversible climate change. In [area name] we must be at the forefront of behavioural change and be willing to support the use of renewable energy as a tangible means of reducing our local carbon footprint.

Renewable energy planning applications will be approved if their impacts are (or can be made) acceptable. The following considerations will be taken into account in assessing proposals:

- *(List local considerations – e.g. is there an ANOB or heritage feature that needs particular consideration)*

Comments on model policy wording:

As well as a generic statement supporting renewables (provided certain conditions are met), a NP could include a target to show real ambition for renewables in the area. Best practice for renewable energy targets is to link them to national/EU targets – e.g. the UK's target (in line with the EU directive) to deliver 15% of total energy demand (heat, electricity and transport) from renewable sources by 2020, or the UK's 2050 Target to reduce GHG emissions by at least 80% in 2050 from 1990 levels.

To develop a target, an assessment of the area's renewable energy resource potential should be undertaken, and, based on the technical potential, consensus on an achievable but ambitious target for the area can be reached through in-depth consultation with the community. See for example the Bournemouth, Dorset and Poole Renewable Energy Strategy, which set a target for the three upper tier local authority areas involved.

Arguments for including a general renewable energy policy

- A positive renewable energy policy sends a strong signal to landowners, developers, community energy groups and local authority planning officers and councillors that renewable energy applications are to be welcomed, encouraging sites to come forward to planning.

- Listing out local considerations in a policy helps landowners, developers, community energy groups and local authority planning officers and councillors to know what specific features of the local area are particularly of value and to choose sites and how to develop them taking these features into consideration, meaning that time is not wasted exploring sites that are not locally appropriate.

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[9] https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/37048/1940-nps-renewable-energy-en3.pdf

- A local renewable energy target can be used to make the case the further deployment of renewable energy in the locality. In particular, targets are often used by planning committees and at appeal by inspectors as lending weight to the case in favour of a scheme.

Issues with this type of policy

- Policies of this type are often used to signal a lack of support for certain types or scales of renewable energy, e.g. listing out technologies that the NP is in favour of but excluding certain technologies from that list.
- Policies should add locally specific information rather than simply repeating national guidance.
- Resource assessment and target setting can be a contentious process, as people may misinterpret a resource potential that shows there is technical space for X MW of a technology to mean that that high number could and would actually be deployed. Careful engagement is needed to ensure the public understand the process so that a locally appropriate target can be agreed.

b. Identifying sites or areas suitable for renewable energy

National Policy Context

The Written Ministerial Statement on onshore wind (18 June 2015) states:

"When determining planning applications for wind energy development involving one or more wind turbines, local planning authorities should only grant planning permission if:

- *the development site is in an area identified as suitable for wind energy development in a local or neighbourhood plan; and*
- *following consultation, it can be demonstrated that the planning impacts identified by affected local communities have been fully addressed and therefore the proposal has their backing.*

In applying these new considerations, ***suitable areas for wind energy development will need to have been allocated clearly in a local or neighbourhood plan****. Maps showing the wind resource as favourable to wind turbines, or similar, will not be sufficient. Whether a proposal has the backing of the affected local community is a planning judgment for the local planning authority."*

This statement provides a clear driver for identifying suitable areas for wind in a neighbourhood plan, as if the neither the local plan nor the neighbourhood plan identifies suitable areas, then according to the WMS no applications can be approved in the area. This statement is yet to be challenged.

The NPPF states that: *[Local planning authorities] should:... consider identifying suitable areas for renewable and low carbon energy sources, and supporting infrastructure, where this would help secure the development of such sources;*

The footnote to that clause then reads: *In assessing the likely impacts of potential wind energy development when identifying suitable areas, and in determining planning applications for such development, planning authorities should follow the approach set out in the National Policy Statement for Renewable Energy Infrastructure (read with the relevant sections of the Overarching National Policy Statement for Energy Infrastructure, including that on aviation impacts). Where plans identify areas as suitable for renewable and low-carbon energy development, they should make clear what criteria have determined their selection, including for what size of development the areas are considered suitable.*

In addition, paragraph 98 of the NPPF states: *Once suitable areas for renewable and low carbon energy have been identified in plans, local planning authorities should also expect subsequent applications for commercial scale projects outside these areas to demonstrate that the proposed location meets the criteria used in identifying suitable areas*.

Model policy wording

Model policy (h): Renewable energy applications will only be approved where the proposed development site is in an area identified as suitable for that technology, as shown in Map X. If an application is submitted for a site outside of those areas, the developer must show that the proposed location meets the criteria used in identifying suitable areas.

Comments on model policy wording:

This type of policy is usually reserved for wind (especially given the additional driver of the Written Ministerial Statement); however, it may be suitable for other technology types, especially solar farms.

Arguments for allocating suitable areas

- The WMS states that *local planning authorities should only grant planning permission if: the development site is in an area identified as suitable for wind energy development in a local or neighbourhood plan.* As a result, if an area is in favour of wind developments of any scale within their area, the NP needs to include some mapping of suitable areas.

- If a map showing suitable areas is successfully agreed through the neighbourhood planning process, proposals coming forwards within those areas would have a sound basis and stronger local backing for their application. In particular, if the NP can identify specific sites for renewables, those sites would have a strong mandate for approval.

Issues with including this type of policy

Identifying specific sites within the neighbourhood plan is particularly difficult due to a number of factors, including:

- Sites being available is dependent on landowners wanting to use their land. It is difficult to identify willing landowners (who may also change their minds in future) and land ownership is subject to change.
- Identifying sites that are already being considered is often not appropriate because developers/community groups may not yet have signed an option on the land and so are not willing to divulge the location of interested landowners for fear of losing them to another developer/competing group.
- Identifying sites is extremely controversial and can stir up an anti-movement and create community divisions, even if their identification is only speculative.
- The neighbourhood planning group may not be the best placed to identify suitable sites – community energy groups or developers are the best source of knowledge about suitable sites but for reasons given above are often unwilling to share that knowledge.

As a result, it may be more appropriate to identify suitable areas for renewable energy development, rather than identify specific sites. These are subject to some of the same issues:

- Identifying areas can be contentious and can stir up an anti-movement and create community divisions, even if their identification is only speculative.
- Community consultation needs to be undertaken carefully; external engagement expertise may be needed to ensure the issue is handled sensitively.
- At the neighbourhood planning scale, areas identified as suitable may be very small, creating additional pressures between the owners of those parcels of land and the community. At this scale, a resource assessment showing potential for renewables on particular pieces of land may have an impact (positive or negative) on land values for that area and adjoining areas.
- The neighbourhood planning group will need technical support to undertake a resource assessment identifying suitable areas for different technologies. They will need funding to commission the necessary assessments from experts.

Where there is a community energy group that is looking to progress a renewable energy project within the area, with a known optioned site, it may be more appropriate for their site or sites to be designated with a Neighbourhood Development Order.

c. Local ownership policy

National policy context

There is strong in principle governmental support for community owned renewables and for local and neighbourhood plans to give weight to community led or owned renewables applications. The NPPF states: "*[Local planning authorities] should:... support community-led initiatives for renewable and low carbon energy, including developments outside such areas being taken forward through neighbourhood planning."*

The Planning Practice Guidance states: "*Local planning authorities may wish to establish policies which give positive weight to renewable and low carbon energy initiatives which have clear evidence of local community involvement and leadership."*

Model policy wording

Model policy (i): Renewable energy development will be permitted where community ownership can be demonstrated.

Arguments for requiring local community ownership

- By requiring local community ownership of all renewable energy generation, this policy is ensuring that the benefits of renewables are retained locally, rather than being funnelled away by commercial developers.

Issues with this type of policy

- Other, weaker policy wordings are possible; wording that encourages local ownership, rather than requiring it. We believe the most ambitious policy is to require local ownership. This can then either be defined with further policy wording to set out what counts as 'local community' and what counts as 'ownership', or it can be left open so that it can be determined on a case by case basis. The definitions of these terms should depend on the objectives of the policy. However, proposals should demonstrate that they will be owned by an appropriate community energy enterprise which operates for the benefit of the community (e.g. a Community Benefit Society). The development should be constrained by an asset lock or dissolution clause which prevents it from being sold for non-community purposes.

- Schemes might be part owned by the community under this policy, if full ownership were not possible.

4. Non-planning actions

As well as planning policies, neighbourhood plans can include actions for the area that are not related to planning. Because of the detailed consultation process that is needed to develop a neighbourhood plan, it offers a good opportunity to achieve consensus on priorities for action within the local area. These actions can be described with the neighbourhood plan and then prioritised for deliver by local groups and the Parish or Town Council when opportunities and/or funding arises. These actions will not be taken through the examination process and do not have a role in the planning process.

These non-planning actions could be delivered by Community Infrastructure Levy (CIL) funding in areas where the local authority has agreed a CIL charging regime.[10] In areas with a charging regime in place, parishes with a neighbourhood plan will receive 25% of any CIL arising from developments in their area compared to parishes without a neighbourhood plan who will receive 15%.

Where there is a parish council, it will decide how to spend CIL funds received. Where there is no parish council, the money will remain with the local planning authority to decide how to spend it (in consultation with the community). However, in all cases, where there is a neighbourhood plan, the priorities outlined in this should guide how the money is spent.

Examples of non-planning actions on energy that could be included:

- Setting up a local community energy company
- Developing a project to roll out energy efficiency measures and advice in the area.

Bringing the policies together into a neighbourhood plan

Before energy policies are developed for a neighbourhood plan, a clear objective on energy for the NP needs to be established following consultation with the community. Appropriate policies for the area can then be developed through an evidence base gathering and consultation process.

These policies need to be reviewed together to ensure that they form a cohesive whole – reinforcing, rather than contradicting each other.

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[10] The Community Infrastructure Levy is a planning charge, introduced by the Planning Act 2008 as a tool for local authorities in England and Wales to help deliver infrastructure to support the development of their area. Development may be liable for a charge under the Community Infrastructure Levy (CIL), if the local planning authority has chosen to set a charge in its area. For more information visit: http://www.planningportal.gov.uk/planning/applications/howtoapply/whattosubmit/cil