

**Climate Change and Energy Efficiency**

**REPORT TO THE EXECUTIVE**



<b>DATE</b>	<b>11<sup>th</sup> February 2019</b>
<b>PORTFOLIO</b>	<b>Housing and Leisure</b>
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**PURPOSE**

1. To respond to the motion raised at Full Council on the 19<sup>th</sup> December 2018 (Appendix 1) regarding the Council's policy and approach to energy efficiency, fuel poverty and climate change.

**RECOMMENDATION**

2. That the Executive does not adopt the proposals set out in the motion due to potential financial implications for the Council and on account that the Local Plan was adopted in July 2018.

**REASONS FOR RECOMMENDATION**

3. To protect the Council's financial position and avoid any consequences that could affect the Council's ability to deliver housing growth and housing regeneration programmes.
4. The Local Plan was adopted in July 2018 following extensive consultation and a public enquiry. It is not now possible to introduce new policy requirements.
5. The Council has sufficient effective policies and strategies to ensure that it plays a strong role in tackling climate change, promoting energy efficiency and reducing fuel poverty.

**SUMMARY OF KEY POINTS**

**Introduction:**

6. The motion raised a Full Council on the 19<sup>th</sup> December 2018 requested that the Council resolves;
7. To specify PassivhausStandards for all buildings on Council owned land or as a condition of sale on Council owned land;

Passivhaus standard is an internationally recognised low energy design standard that

aims to significantly improve comfort and indoor air quality whilst reducing heating bills within buildings. The standard can be applied to new buildings and existing buildings where retro-fit is an option. The Passivhaus Institute define a passivhaus as “...a building in which thermal comfort can be achieved solely by post-heating or post-cooling the fresh air flow required for a good indoor air quality, without the need for additional recirculation of air.” There are examples across the UK of Passivhaus Standards being used in social and private housing, schools, offices and community buildings.

8. To renovate all houses which are acquired under Compulsory Purchase Order by the Council as energy efficient as possible and having regard to Passivhaus Standards where possible;
9. To produce Supplementary Planning Guidance at the earliest opportunity calling for higher energy efficiency standards compliant with the internationally recognised Passivhaus Zero Carbon Standard; and
10. To develop a strategy showing how we can reduce emissions in the Borough and play our part in achieving the Paris Climate Goal.

### **Assessment**

*To specify Passivhaus Standards for all buildings on Council owned land or as a condition of sale on Council owned land*

11. To impose such a condition on buildings on Council owned land would be likely to result in very significant adaptation and renovation costs to existing buildings. These costs would be beyond what the Council is able to commit to works to improve energy efficiency in its buildings.
12. The Council is committed to improving the energy efficiency of its buildings and reducing its carbon footprint. In recent years we have upgraded insulation in Council buildings, installed energy efficient lighting systems operated by motion sensors, replaced boilers with modern energy efficient systems and continue to rationalise our use of buildings to ensure the most efficient use of our assets.
13. To introduce restrictions, covenants or building standards on Council owned land that are over and above current market requirements would be likely to deter potential purchasers and developers, devaluing the land and potentially rendering it undevelopable. This would affect the Council's ability to facilitate housing growth and deliver quality housing to help create a balanced housing market.

*To renovate all houses which are acquired under Compulsory Purchase Order by the Council as energy efficient as possible and having regard to Passivhaus Standards where possible*

14. Each year the Council aims to acquire 20 properties under the Empty Homes Programme that are renovated and returned in to use. The proceeds from each sale is recycled back in to the programme to allow the Council to purchase further properties and sustain the programme from existing capital resources.
15. Whilst we do not currently work to Passivhaus standards we do greatly improve the energy efficiency in the properties we renovate. Wherever possible we specify higher insulation standards than those currently accepted in the industry for loft insulation

and dry-lining the external walls using insulated plasterboard. We also specify A rated gas central heating boilers with a minimum 5 year guarantee.

16. The Council do not receive any external funding to deliver its Empty Homes Programme and in order to sustain the programme the proceeds from the sale of a property needs to be closely aligned to the cost of its purchase and renovation. The Council are proud of the quality of our renovations and drive efficiencies by paying close attention to the renovation cost. Whilst the homes are renovated to a high standard with good thermal properties the works are tightly controlled in order to make the properties viable and the programme financially sustainable.

*To produce Supplementary Planning Guidance at the earliest opportunity calling for higher energy efficiency standards compliant with the internationally recognised Passivhaus Zero Carbon Standard*

17. The Council's Local Plan was adopted in July 2018 and covers the whole borough up to 2032. Supplementary planning documents cannot be used to introduce new policy requirements within a Council's policy framework and can only be used to build upon and provide more detailed advice and guidance on the application policies within the existing Local Plan. Passivhaus is not a policy requirement in the current Local Plan and therefore it is not possible to introduce this as a requirement in a supplementary planning document.

18. The issues of fuel poverty and climate change are identified as "Key Issues and Challenges" in the Spatial Potraits of Burnley's Local Plan which refers to "Addressing poor quality housing and reducing fuel poverty" (p.12) and "Reducing carbon dioxide and other polluting emissions whilst meeting development needs and demands" (p.23). These matters are also reflected in the Plans Objectives in particular Objective 1: Delivering Sustainable Growth "To minimise the adverse impacts of climate change to support growth the meet the need for jobs, homes and services in the context of moving towards a low carbon economy and stemming population decline. Growth will be managed so that its takes place in the most appropriate locations, promotes the re-use of previously- developed land and buildings, energy efficiency and sustainable design; and encourages the use of decentralised and renewable or low carbon energy sources" (pg.29).

19. The Local Plan addresses climate change with a number of policies that seek to reduce emissions by supporting renewable energy and reducing pollutants. These policies include CC1: Renewable Energy and Low Carbon Energy, CC2: Suitable Areas for Wind Energy Development, CC3: Wind Energy Development, NE5: Environmental Protection, IC1: Sustainable Travel, IC2: Managing Transport and Travel Impacts and IC3: Car Parking Standards. These policies are considered and applied to all developments where appropriate across the borough.

*To develop a strategy showing how we can reduce emissions in the Borough and play our part in achieving the Paris Climate Goals*

20. As set out in the above paragraphs the borough's Local Plan has embedded within it a commitment to tackle climate change and this documents governs land use and development across the borough in its entirety. The Council have developed over the years a strong commitment to promoting energy efficiency, tackling fuel poverty and addressing climate change. The Strategic Plan 2019/20 states, "the Council has an

obligation as a community leader to play a part in reducing harmful carbon emissions and responding to climate change” and this recognition feeds in to our corporate priorities to promote a clean, green and safer borough.

21. The Council’s Housing Strategy has a key priority to “Tackle Energy Efficiency and Reduce Fuel Poverty” and the Housing Service has a long history of developing and delivering programmes to achieve this. The Council undertake a large portion of this work in partnership with other Lancashire authorities through the Cosy Homes in Lancashire partnership (CHiL). Its primary aim is to install energy efficiency measures and heating improvements in domestic dwellings utilising funding secured through Energy Company Obligations. The Local Authorities work together to maximise the number of installations to improve the thermal efficiency of Lancashire homes, especially for the benefit of customers experiencing fuel poverty and/or with cold-related health issues. The CHiL project gained an Ashden Award for Sustainable Homes in 2016.

22. In addition to the Countywide programme the Council also deliver an in-house energy efficiency scheme that comprises of;

**Heating Rebate Scheme** where the Council offer a rebate to residents of the borough who are replacing their boiler with an A rated energy efficient boiler. The scheme is targeted at owner occupiers especially those who are 60 or over and;

**Warm at Winter/Affordable Warmth** that aims to reduce levels of death and illness over the winter months and to improve people's wellbeing. Through this scheme we also hope to see a reduction in hospital admissions and in demand for health and social care services.

The Council’s private sector improvement programme also aims to drive up energy efficiency through the Selective Licensing Scheme, Landlord Accreditation and Private Sector Enforcement where landlords are required to provide minimum standards of thermal comfort in the private rented sector.

23. Through the Corporate Strategic Plan, Local Plan and Housing Strategy the Council have a sound strategic framework for addressing climate change, energy efficiency and fuel poverty all underpinned by effective action. We also have a strong and effective partnership with Lancashire Local Authorities through the ChiL project and are partners in the The Lancashire Climate Change Strategy which sets out the long term vision that: “Lancashire is low carbon and well adapted by 2020 with a target to reduce carbon dioxide emissions by at least 34% (relative to 1990) by that time”

## **FINANCIAL IMPLICATIONS AND BUDGET PROVISION**

24. Whilst it is not possible to quantify with any certainty the financial implications associated with the adoption of the motion as presented to Full Council on 19<sup>th</sup> December 2019 it is highly likely there would be significant costs. There is also a risk that these costs would impact on the Council’s ability to develop land in its ownership and sustain the delivery of its empty homes programme in the long term.

25. The financial implications are considered significant and the risks to the delivery of key strategic projects high and for these reasons the recommendation is proposed.

**POLICY IMPLICATIONS**

26. None.

**DETAILS OF CONSULTATION**

27. None.

**BACKGROUND PAPERS**

28. None.

**FURTHER INFORMATION**

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**ALSO:**