Manchester City Council Report for Information

Report to: Environment, Climate Change and Neighbourhoods Scrutiny

Committee – 9 November 2023

Subject: Planning Policy, Construction and Climate Change

Report of: Strategic Director, Growth and Development

Summary

This report considers how planning policy can seek to address climate change, with specific consideration of the emissions associated with the construction phase. The report also includes an update on the Local Plan and climate related issues.

The report provides a summary of the emerging evidence base that will help inform draft planning policies in the Manchester Local Plan around construction standards. The evidence base has been prepared for and on behalf of the Manchester Climate Change Partnership (MCCP) as a background paper to support Manchester City Council's policy making processes for the emerging Local Plan, specifically in relation to Net Zero and encouraging low carbon development across all sectors of development.

Recommendations

The Committee is recommended to consider and comment on the information in the report.

Wards Affected: All

Environmental Impact Assessment - the impact of the issues addressed in this report on achieving the zero-carbon target for the city

The planning system will continue to help the city work toward zero carbon including by encouraging compact patterns of urban development, with housing accessible by active and public transport to employment and services; preserving and improving green and blue infrastructure by encouraging development in existing urban areas; and supporting zero carbon building standards through development planning processes.

Equality, Diversity and Inclusion - the impact of the issues addressed in this report in meeting our Public Sector Equality Duty and broader equality commitments

The Local Plan will include the completion of the Equality Impact Assessment (EqIA). To inform how the draft policies in the plan may impact on different protected or disadvantaged groups.

Manchester Strategy outcomes	Summary of how this report aligns to the OMS/Contribution to the Strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The city's planning system aims to improve Manchester's economic performance and spread the benefits of this growth across the city to reduce economic, environmental and social disparities, and to help create inclusive sustainable communities.
A highly skilled city: world class and home grown talent sustaining the city's economic success	The city's planning system incorporates a vision for Manchester of a knowledge-based economy flourishing within an entrepreneurial community, characterised by a fully skilled, inclusive working Population, and includes policies to deliver this through key strategic locations across the city.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	The city's planning system aims to reduce economic, environmental and social disparities, and to help create inclusive sustainable communities.
A liveable and low carbon city: a destination of choice to live, visit, work	The city's planning system aims to provide a framework within which the sustainable development of the city can contribute to halting climate change. It also aims to provide a network of distinctive, attractive and high-quality centres.
A connected city: world class infrastructure and connectivity to drive growth	The city's planning system aims to improve Manchester's physical connectivity, through sustainable and accessible transport networks, to enhance its functioning and competitiveness and provide access to jobs, education, services, retail, leisure and recreation.

Full details are in the body of the report, along with any implications for:

- · Equal Opportunities Policy
- · Risk Management
- Legal Considerations

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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

- Manchester Core Strategy Development Plan 2012 to 2027
- Places for Everyone Main Modifications 2023 <u>Modifications Greater Manchester</u> <u>Combined Authority (greatermanchester-ca.gov.uk)</u>
- 9 February 2023 report to Environment, Climate Change and Neighbourhoods Scrutiny Committee on Planning Policy and Climate Change
- Manchester Climate Change Framework, 2022 Update: www.manchesterclimate.com/content/2022-update

1.0 Introduction

- 1.1 As members are aware Manchester has an ambitious growth agenda, which is essential if we are to deliver the new homes, jobs and infrastructure our residents need. Delivering the scale of growth required, will mean ensuring there are tools available to do this is such a way that quality, inclusiveness and how climate change is addressed are fully embedded in the development process. This includes reviewing the planning policy framework and refreshing those policies that support all of the Councils key objectives.
- 1.2 In this regard, this committee received a report in February 2023 that outlined how planning policy in Manchester was seeking to address climate change. Since then, significant work had been undertaken in developing the evidence base that will help to inform the Local Plan around carbon and new development. The evidence base has been prepared with the support of the members of the Manchester Climate Change Partnership and wider industry experts. They have considered the current wider policy background and guidance documents for net zero, financial implications for net zero, evidence base of developments and their performance in terms of carbon, and recommendations for planning policy in relation to Net Zero development. This report provides a summary of the key findings that will be published in due course within the MCCP report.
- 1.3 It is important to bear in mind that there is much good practice already being applied within new developments in the City including the use of standards such as BREEAM (BREEAM BRE Group) and NABERS (NABERS UK BRE Group). The research undertaken for the MCCP report has included consideration on the latest approaches being applied in existing projects; and emerging standards/guidance. Planning has its part to play in applying improved standards; alongside other important drivers such as the financial/investment community and their desire to see improvements to environmental performance; and the intentions of developers who see the benefit of projects that deliver improved standards both for the users of the buildings and to secure the investment backing in the first place.
- 1.4 This report also provides an update on the general role of the Local Plan and climate change related issues. Local Plans have a legal requirement to take account of climate change through Section 19(1A) of the Planning and Compulsory Purchase Act 2004. This requires local planning authorities to include in their Local Plans "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 report to this scrutiny committee in February 2023 covered the specific matters of flood mitigation and heat island mitigation, referring to the concept of an urban greening factor. Since we reported in February, significant progress has been made across a range of studies outlined in Section 3.
- 1.5 The report concludes with a section setting out how the current planning application process allows for considerations to be brought into play when addressing climate change matters.

2.0 Background

Net Zero Carbon Planning Policy (Evidence Base)

- 2.1 Manchester Climate Change Agency was established in 2015 and Manchester Climate Change Partnership in 2018. Manchester City Council is a member of the Partnership and sits on the Partnership Board.
- 2.2 Together, the Partnership and Agency are responsible for providing recommendations for the city's high-level climate change targets these are contained within the Manchester Climate Change Framework 2020-25, and its 2022 Update, which can be found at: www.manchesterclimate.com/content/2022-update and for tracking the city's progress towards these targets. They publish annual 'Emissions Reports', which can be accessed going back to 2013 here: www.manchesterclimate.com/annual-emissions.
- 2.3 They also seek to catalyse and accelerate action that helps to meet the city's climate change targets and tackle city-scale climate issues.
- 2.4 The 2022 Update to Manchester's Climate Change Framework showed that reducing emissions from new buildings is critical in helping the city to stay within its carbon budget and meet its wider climate change goals.
- 2.5 Building on a Partnership initiative in 2020-21 that resulted in a Roadmap for Net Zero Carbon New Buildings in Manchester in 2021, a new initiative was launched in late 2022 to look at how the next Local Plan could accelerate the prevalence and performance of net zero new buildings.

Local Plan and Climate Change

- 2.6 The Core Strategy (adopted in 2012) sets out specific policies for Manchester that already seek to address climate change; the key policies are set out in section 3. However, as with national policy, the core strategy must be read as a whole to guide development towards sustainable solutions.
- 2.7 The emerging Manchester Local Plan presents an opportunity to consider and review the existing planning policy approach to climate change, and potential changes to strengthen the policy framework. The Manchester Local Plan will provide a robust set of policies that complement the policies included in the Places for Everyone Joint Local Plan. The Joint Local Plan has now reached a final key milestone with the consultation on Main Modifications that commenced on 11 October 2023 for a period of eight weeks.

Planning Application Process

2.8 As noted above existing policies in the Local Plan seek to address climate change. This provides a platform for covering environmental issues when considering spatial land use matters. With increasing concerns, the planning process in Manchester has sought to do more in advance of any policy

change (both at a local and national level). All major planning applications are already required to be accompanied by an Environmental Standards or Energy Statement (part of the local validation checklist) which set out the design intent for the scheme as well as the commitment to aligning with City Council aspirations and desire to deliver sustainable development. The carbon reduction strategy would also be set out within this document.

3.0 Main issues

Net Zero Carbon Planning Policy (Evidence Base)

- 3.1 Manchester Climate Change Partnership's City Challenge Net Zero New Buildings task and finish group was established to convene the expertise and capacity of local stakeholders towards increasing the low carbon standards of new buildings and support the refresh of Manchester's Local Plan.
- 3.2 The group addressed both operational and embodied energy, covering emissions from construction materials and the construction process, the emissions from energy use while the building is occupied, and the emissions from the end-of-life of a building. This is often referred to as whole life carbon and covers direct energy-related emissions which are the focus of Manchester's carbon budget, alongside indirect emissions which are often larger but more difficult to quantify, track, and set targets for. This broad scope is why the term net zero is used; the term zero carbon is used in Manchester to denote direct, energy-related emissions only. The group examined multiple types of building including residential, commercial, industrial, and institutional buildings.
- 3.3 The group was chaired by Julian Broster, co-founder and Chief Operating Officer of Civic Engineers. Its membership was drawn from built-environment stakeholders and industry experts that are actively developing in Manchester, including a diverse mix of sectors and disciplines. Members include (in alphabetical order): Arcadis, Arup, Bruntwood, CBRE, Civic Engineers, Concretene, Cundall, Deloitte, Far East Consortium, JLL, Landsec (U&I), Manchester City Council, Muse, NatWest, RJP Town Planning, Sheppard Robson, Simpson Haugh, This City, UK Green Building Council, and Wates Construction.
- 3.4 The group identified four workstreams and organised into four sub-groups:
 - Ambition and targets. Led by Cundall. The purpose of this sub-group was
 to review current best practice in net zero standards for new buildings,
 including the UK's Net Zero Carbon Building Standard initiative; exploring
 how standards may need to differ for different types of development and
 escalate over time to ensure the city's climate targets are met.
 - Commercial viability and deliverability. Led by NatWest. The purpose of this sub-group was to examine the whole-life costing of net zero new buildings, including the dynamic relationship between upfront capital costs

- and lifetime operational costs; identifying incentives that have been deployed by others to remove barriers and correct market asymmetries.
- Case studies. Led by Simpson Haugh. The purpose of this sub-group was
 to identify current projects in Manchester and beyond that are striving to
 achieve high net zero standards, including projects across different
 sectors; exemplifying the trajectory and capacity of the new build market to
 support the transition to net zero.
- Local plan. Led by Deloitte. The purpose of this sub-group was to collate the evidence from the other three sub-groups, identifying lessons learned from planning policy in other local areas; and proposing specific wording on net zero new buildings for Manchester's City Council's consideration.
- 3.5 The sub-groups have now mostly concluded their research and the sub-group leads, its Chair, Manchester Climate Change Agency and Manchester City Council are refining the findings and recommendations into a final report, due to be published before the end of 2023.
- 3.6 The final report will include sections that cover:
 - A review of existing standards. An examination of targets and standards for net zero buildings from eight reputable organisations (LETI, RIBA, UKGBC, UKNZCBS, CRREM, GLA, FHS, NHS) and a comparison with the evidence base from local case studies.
 - Regulating and financing net zero. Cost benefit analysis of net zero initiatives in the built environment and ways that regulations can be used to channel change outside of planning policy to accelerate action.
 - Environmental performance data. Data for 112 new buildings in Manchester, granted planning permission in the last three to four years, using 'as designed' or 'as built' data from the planning register, across nine different building typologies, covering upfront embodied carbon, life-cycle embodied carbon, operational energy, and water use. Plus, seven case studies of low carbon new developments in Manchester and surrounding areas.
 - Planning policy. A review of other recently adopted (post-2018) Local Plans that have a specific policy on net zero new builds (or similar) and where they have been challenged by a Planning Inspector.
- 3.7 The final report will also include a series of recommended net zero standards with suggested wording to be considered for potential net zero policy(ies) within the Local Plan.
- 3.8 The final report will recommend that Manchester City Council explores supporting activity, which may include:

- Establish a local carbon offset fund (as outlined in Places for Everyone) to capture where new standards cannot be met on site so they can be funded elsewhere.
- Establish a body to assess the environmental information in planning applications to ensure robust targets are set and adhered to as reasonably and practicably possible. Consideration will need to be given as to how this body inputs into the planning application process, potentially as an additional consultee.
- 3.9 The final report will also recommend that MCCP and MCCA, with Manchester City Council, investigate the feasibility and benefits of establishing a 'best practice, open learning cohort' of industry experts, on a voluntary basis, to help accelerate net zero standards ahead of the Local Plan timeline. This group could:
 - Share learning: from recent/live developments, including funding/finance models and outcome calculation, to accelerate the adoption of effective methods, materials, and technologies to increase net zero standards in new buildings.
 - Update data: collect, update, and publish environmental performance data on new buildings, across the nine sectors identified, and add to the case study library – using data transparency to shift market trends.
 - Explore wider incentives: to catalyse change e.g., local fiscal levers (such as setting up a carbon offset fund).
 - Develop collaboration/innovation projects: to optimise net zero, e.g., collective procurement, building local supply chain capacity, material reuse and innovation, increasing resilience to a changing climate.
 - Support ongoing professional development: of member organisations to encourage ongoing innovation and improvement and of MCC planning team to facilitate effective implementation of new policy requirements.
- 3.10 It is recognised the ambition for an enhanced policy framework is high and the above with support from MCCP, will develop our understanding of the opportunities to develop a robust policy position. Nevertheless, it is important to note that there are still likely to be challenges and recommendations will have to be tested as the local plan is progressed.

Local Plan and Climate Change

Current Policy Framework

3.11 The key policies within the adopted Core Strategy that pertain to climate change include the following:

- Spatial Principle SP1 to provide a framework within which the sustainable development of the city can contribute to halting climate change.
- Core Development Principles (within Policy SP1) to minimise emissions, ensure efficient use of natural resources and reuse previously developed land wherever possible, and ensuring development is located to reduce the need to travel and provide good access to sustainable transport provision.
- Policy DM 1 Development Management including requirements for appropriate siting, sustainable transport, biodiversity, green infrastructure, flood risk, and energy targets.
- Policy EC 1 development proposals should have regard to climate change resilience demonstrating how CO2 emissions will be minimised with an aim of zero carbon emissions, through energy efficiency, renewable energy and contributing to low and zero carbon decentralised energy infrastructure.
- Policy T 1 to deliver a sustainable, high quality, integrated transport system to encourage modal shift away from car travel to public transport, cycling and walking, to support the needs of residents and businesses and to prepare for carbon-free modes of transport. This includes the Council supporting proposals that facilitate modes of transport that reduce carbon emissions, such as by incorporating charging points for electric vehicles. The Core Strategy also sets minimum cycle parking standards for development types.
- Policy EN 4 reducing CO2 Emissions by enabling low and zero carbon development through a range of measures.
- Policy EN 5 Strategic areas for low and zero carbon decentralised energy infrastructure.
- Policy EN 6 Framework for CO2 reductions from low or zero carbon energy supplies.
- Policy EN7 a general presumption in favour of low and zero carbon decentralised energy schemes.
- Policy EN 8 Adaptation to Climate Change All new development is expected to be adaptable to climate change in terms of the design, layout, siting and function of both buildings and external spaces.
- Policy EN 9 Green Infrastructure New development is expected to maintain existing green infrastructure in terms of its quantity, quality and multiple function. Where the opportunity arises and in accordance with current Green Infrastructure Strategies the Council will encourage developers to enhance the quality and quantity of green infrastructure, improve the performance of its functions and create and improve linkages to and between areas of green infrastructure. New green infrastructure provision should be an exemplar of best practice and innovation in terms of both its design and management.
- Policy EN 15 Biodiversity and Geological Conservation developers are expected to identify and implement reasonable opportunities to enhance, restore or create new biodiversity, either on-site or adjacent to the site, contributing to linkages between valuable or potentially valuable habitat areas where appropriate.
- 3.12 The policies in the Core Strategy allow the Council as local planning authority to seek a range of information which is assessed as part of the planning

process. These were listed in the report in February 2023 and do bear worth repeating to illustrate the comprehensive nature of information that is requested:

- air quality impact assessment and mitigation;
- identification of ecological features or wildlife habitats and proposed biodiversity measures;
- Environmental Standards Statement addressing sustainability ratings and provision of renewable energy, along with a Building Research Establishment Environmental Assessment Method (BREEAM) preassessment rating (typically requiring at least a Very Good rating) (see xxx below)
- A Blue and Green Infrastructure Statement;
- A Flood Risk Assessment for sites in a designated Flood Zone or over 1 hectare in size, or over 0.5 hectares for sites in Critical Drainage Areas;
- Sustainable Urban Drainage Strategy;
- Transport Statement, including provision or futureproofing for electric charging points, public transport consideration, and parking management strategy;
- Travel Plan including strategies for integrating sustainable travel based on evidence of anticipated transport needs;
- where trees are impacted, a tree age and condition survey is required together with a tree replacement scheme (the approach is to seek via planning a two for one replacement, with three for one in some cases – the Clty of Manchester has approximately 19% tree cover); and
- demonstration of how carbon emissions will be minimised, working toward zero emissions, through energy efficiency, renewable energy and contributing to low and zero carbon decentralised energy infrastructure.

Emerging Policy Framework

- 3.13 The Places for Everyone joint local plan has now reached a final key milestone with the consultation on Main Modifications that commenced on 11 October 2023 for a period of eight weeks. While addressing climate change is fundamental to the plan as a whole and integrated across policies, policies in Places for Everyone which have specific references to climate change or carbon emission reductions include:
 - JP-S 1 Sustainable Development
 - JP-S 2 Carbon and Energy
 - JP-S 3 Heat and Energy Networks
 - JP-S 4 Resilience (n.b. policy proposed to be deleted as part of the Main Modifications to PfE with clauses added into other policies in the plan)
 - JP-S 5 Flood Risk and the Water Environment
 - JP-S 7 Resource Efficiency
 - JP-J 1 Supporting Long-Term Economic Growth
 - JP-G 2 Green Infrastructure Network
 - JP-G 5 Uplands
 - JP-G 7 Trees and Woodland

- JP-G 9 A Net Enhancement of Biodiversity and Geodiversity
- JP-P 1 Sustainable Places
- JP-P 2 Heritage
- JP-C 1 An Integrated Network
- JP-C 4 Streets for All
- JP-C 6 Freight and Logistics
- JP-C 7 Transport Requirements of New Development
- 3.14 In the report to this committee in February 2023, the extensive range of evidence that is required to support policy development around climate change in the emerging Manchester Local Plan was highlighted. This included:
 - Our Rivers, Our City (completed winter 2021)
 - Biodiversity Strategy (completed autumn 2022)
 - Tree Opportunity Mapping (completed summer 2023)
 - Open Space Study (completed spring 2023)
 - Net Zero new development (summary of key findings featured in this report)
 - Housing Needs Assessment (report being considered by Economy and Regeneration Scrutiny on 7 November 2023)
 - Biodiversity Net Gain/ Urban Green Factor (GMEU study completed Spring 2023; Manchester specific study nearing completion)
- 3.15 The scope of these studies is by their very nature broad in response to the challenge faced by adaptation and mitigation required by climate change. Collectively the evidence base generated from the studies will assist in updating current policies within the Core Strategy. Moreover, the studies will contribute to the development of new policies particularly around the urban green factor and biodiversity net gain. All members received an update on the BNG/UGF study in September 2023 setting out the scope of the work, Subsequent briefings were held for members that set out the emerging findings of the work and it is the intention to report further on this study to this committee at the next annual update on Green Infrastructure in March 2024.

Planning Application Process

- 3.16 Many aspects of construction management are not material planning considerations, particularly those impacts controlled and/or enforced by other legislation, such as the Control of Pollution Act and the Environmental Protection Act 1990. For example, if noise or other nuisance, from building works are considered to be causing material interference with the use or enjoyment of neighbouring properties then action would be taken under these aforementioned Acts.
- 3.17 The aim under the planning process has been to try to bring together many controls under one package through requiring a Construction Management Plan on major planning applications. This provides a framework of control, which is subsequently embedded in a condition of planning permission. This

covers such issues as dust control, routing and parking of construction vehicles, waste storage as well as recycling of materials, (measures to control noise and vibration if there are specific circumstances requiring this form of mitigation), methodology for removing mud from contractors' vehicles and cleaning any mud from roads, contact information as well as community liaison details. The condition of planning permission would also encourage the developer to join the Considerate Constructors Scheme. The local planning authority works closely with partners within the Council, such as the Out of Hours Team, Highways Services and Environmental Health colleagues to ensure that any complaints are fully investigated, and any required action is then taken under the appropriate legislation.

- 3.18 In relation to those major applications which require an Environmental Impact Assessment (EIA) additional information is sought regarding the construction impacts. The relevant Regulations require that any Proposed Development falling within the description of a 'Schedule 2 development' (as defined within the meaning of the EIA Regulations), will be subject to an EIA where such development is likely to have 'significant' effects on the environment, this includes such factors as its nature, size or location. The purpose of the EIA is to establish the nature of the proposed development and the environment in which it is likely to take place, during both construction and operational phases and identify likely significant effects.t. The assessment compares the existing situation at the start of the work (baseline) with the situation during demolition and construction, and then when operational. A detailed assessment of the likely significant effects on the environment that could result from the construction works are considered within the submitted Environmental Statement as well as the controls/mitigation to protect from these impacts. The preparation of a Construction Environmental Management Plan is an established method of managing environmental impacts resulting from construction works. Again, as stated above, although these controls and mitigation measures are drawn together within an approved planning condition many aspects are enforced under separate legislation.
- 3.19 With specific reference to emissions, as already noted above, dust suppression would be controlled through the construction management plan but emissions from construction machinery would fall outside of the scope of any control through such a management plan, and would be a matter controlled through separate legislation and would need to be enforced by colleagues in the Council's Environmental Protection Team.
- 3.20 Ultimately, the mechanisms to look at construction through the planning process are not to prevent this phase of development, but to mitigate and control the most significant adverse impacts.

4.0 Recommendations

4.1 The Environment, Climate Change and Neighbourhoods Scrutiny Committee is recommended to consider and comment on the information in the report.