

**HOUNSLOW LOCAL PLAN EXAMINATION STAGE 1 HEARING SESSIONS IDENTIFIED BY THE INSPECTORS****ON BEHALF OF SEGRO (RESPONDENT 098, 099) – MATTER 7 GREEN AND INFRASTRUCTURE, COMMUNITY INFRASTRUCTURE AND ENVIRONMENTAL QUALITY**

**Question 5 - Are the approaches of Policies EQ1 and EQ2 which relate to energy and carbon reduction, and sustainable design and construction respectively - positively prepared, justified, effective and consistent with national policy, and would they be in general conformity with the London Plan 2021? Responses should address:**

- a) To what extent does the policy reflect the expectations of London Plan Policies SI2, SI3 and SI4?**
  - b) Are the standards for sustainable design and construction as identified in Policy EQ2 and set out in Table EQ2.1, justified and consistent with national policy 24 (including the Written Ministerial Statement Planning: Local Energy Efficiency Standards - 13 December 2023)?**
1. SEGRO is generally supportive of Policy EQ1's approach to minimising the demand for energy and promoting renewable and low carbon technologies within new development.
  2. It is noted that Policy EQ1 supports the overall Greater London Authority (GLA) strategy and seeks to "go beyond the London Plan by establishing higher benchmark improvements over Part L for residential development". We object to Policy EQ1 seeking to exceed the London Plan 2021 as the need to do so has not been suitably justified. The evidence base includes the Delivering Net Zero Carbon Study (2023), however this study does not evidence that London Plan 2021 is insufficient to meet the Mayor's 2030 Net Zero target. In fact, the purpose of the study is stated as intended to inform policy making should a London borough seek to set Net Zero Carbon development policies in conformity with the London Plan.
  3. We object to Part E III of Policy EQ1 which sets a fabric efficiency target for Major Industrial developments of 15% reduction over Part L 2021 benchmark for any conditioned spaces, and a 25% reduction in carbon emissions over Part L 2021 benchmark for any ancillary office spaces. Both the London Plan 2021 and the Delivering Net Zero Carbon Study (2023) recognise that non-residential building types may not be able to practicably achieve the fabric efficiency standards set out in Policy SI2 of the London Plan 2021. On page 5 of the Delivering Net Zero Carbon Executive Summary (2023) the report recommends authorities no longer include a 'Be Lean' fabric target in future policy, stating "The 'Be Lean' requirement was helpful under Part L 2013

but it is now challenging to achieve for non-domestic buildings and, for domestic buildings, has little added value compared with the FEE requirement in Part L 2021”.

4. We support a proposed increase in the carbon offset payment above £95 per tonne as this increase would incentivise cost-effective on-site carbon emissions reduction. Further consideration is required, however, of the cost-uplift impacts on non-residential developments. The viability testing states that an increase to the proposed carbon offset price of £370 per tonne would have a 38% impact on residual land values, in addition to the 26% impact of the on-site Net Zero Carbon solutions. Table 6.53.2 of the Local Plan Viability Assessment (2024) shows that non-residential developments will be more significantly impacted by the increase in carbon offset cost than residential developments, with an average 69.6% change due to offsetting. We do not believe this impact has been suitably addressed to ensure soundness of the proposed policy, we recommend that further research and analysis is undertaken on the impact of non-residential developments separately to that of residential development to form a robust basis for the increased carbon offset price.
5. We would also welcome further information on how the proposed increased carbon offsetting contributions will be spent within the Borough.
6. We support the reporting of Energy Use Intensity (EUI) and space heating demand, in line with the London Plan GLA Energy Assessment Guidance, however flexibility should be given within the policy wording to consider data privacy issues which may make the reporting of EUI data unviable, such as may be the case for data centre operators. This consideration for data privacy is in line with the GLA ‘Be Seen’ energy monitoring guidance which states “data privacy issues envisaged for non-residential units relate to national security buildings (for example, Ministry of Defence buildings) and premises with commercial sensitivity (for example, industrial process buildings). Planning applications for these typologies are generally scarce in London. Should these come forward, they will be reviewed on a case by case basis.” We propose that similar wording should be incorporated into Policy EQ1 Part H or within the supporting text of Chapter 9.
7. We also support the proposed Part N of Policy EQ1 which encourages the investigation of reduce lifecycle carbon emissions for all developments, with detailed Whole Life-Cycle Carbon (WLC) Assessment required for schemes referable to the Mayor of London as per London Plan policies and associated guidance. The proposed approach to reducing WLC emissions is in line with SEGRO’s own approach and carbon reduction practices.
8. We support the encouragement of low temperature communal heating systems within Heat Network Priority Areas as per the heating hierarchy set out in the London Plan, however consideration should be given to ensure policy wording is flexible to accommodate for speculative development, shell and core development or similar.

Overall, the proposed approach aligns with SEGRO's own approach and ambitions for low carbon heating.

9. SEGRO are supportive of Policy EQ2 – Sustainable Design and Construction. For example, the proposed sustainable design and construction, including the use of existing and well-established guidance such as that detailed in the London Plan and the recently adopted Climate Change Mitigation and Adaptation SPD.
10. We support the proposed 4 key stages of scheme design: Stage 1: Site Assessment; Stage 2: Development Layout and Form; Stage 3: Building Fabric and Services; and Stage 4: External Space as an effective means of encouraging sustainable design and construction throughout a development's project lifecycle.
11. We support the proposed Table EQ 2.1, including the proposed policy that all new build non-residential development should be assessed against BREEAM and meet a rating of Excellent as minimum, with an Excellent rating achieved in the water efficiency category (WAT 01) as minimum. The proposed BREEAM target is in line with SEGRO's own corporate sustainability commitments.

**c) Are the other requirements of development proposals in Policies EQ1 and EQ2 justified and sufficiently clear to be effective for the purposes of decision making?**

12. In response to Question 5 c), SEGRO request the following changes to Policy EQ1.
13. SEGRO supports Hounslow Borough Council's (HBC) ambition to ensure that by 2030 all new buildings are able to operate at net zero carbon without the need for additional retrofit measures. However, comments have been provided to identify where we believe simplification, clarification or additional viability testing is required. Based on the above, the policy is not considered to be 'effective' or 'justified' in accordance with NPPF paragraph 35(b) and (c).
14. We object to Policy EQ1 seeking to exceed the London Plan 2021 as the need to do so has not been suitably justified. Policy EQ1 to be reviewed to ensure conformity with the London Plan.
15. Part E III of Policy EQ1 needs to recognise that non-residential building types may not be able to practicably achieve the fabric efficiency standards set out in Policy SI 2 of the London Plan 2021. This will ensure compliance with London Plan 2021 and the Delivering Net Zero Carbon Study (2023)
16. Part F (Carbon offsetting) – We recommend that further research and analysis is undertaken to understand the impact of non-residential developments separately to that of residential development to form a robust basis for the increased carbon offset price.

Clarification is also required on further information on how the proposed increased carbon offsetting contributions will be spent within the Borough.

17. Part H relating to Energy Use Intensity (EUI) should be updated to reflect GLA 'Be Seen' energy monitoring guidance which states that non-residential buildings will be reviewed on case-by-case basis given potential for data privacy issues.
18. We request the policy wording in part M is flexible to accommodate for speculative development, shell and core development or similar.