

# GREATER LONDON AUTHORITY

## REQUEST FOR ASSISTANT DIRECTOR DECISION – ADD2128

### Title: Driving energy efficiency savings through the London Plan

#### Executive Summary:

The GLA is investigating the viability of introducing a new target, through the London Plan, focused on energy efficiency to encourage new developments to have lower energy demands and help to drive the deployment of low carbon technology and measures, and cost reductions.

It is expected that this target would strengthen the existing energy hierarchy within the London Plan, which requires developers to firstly reduce energy demand and consider passive design measures before considering energy supply options (such as connection to district heating networks) and use of renewable technologies. This target would also bolster the Mayor's existing zero carbon target for homes (which is expected to be extended to all new developments, including non-domestic buildings, from 2019) and provide assurance that the maximum energy demand reduction has been achieved through on-site measures.

#### Decision:

That the Assistant Director approves expenditure of up to £20,000 for the procurement and appointment of consultants to support the GLA's work to explore the viability of introducing a new energy efficiency target to support the delivery of the existing zero carbon target.

#### AUTHORISING ASSISTANT DIRECTOR/HEAD OF UNIT:

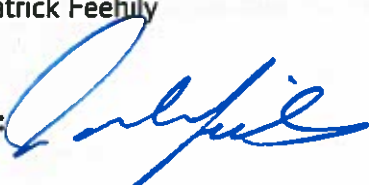
I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

Name: Patrick Feehily

Position: Assistant Director – Environment

Signature:



Date: 20/06/17

## **PART I - NON-CONFIDENTIAL FACTS AND ADVICE**

### **Decision required – supporting report**

#### **1. Introduction and background**

London's homes and workplaces account for approximately 78 per cent of its greenhouse gas emissions. To deliver the Mayor's ambition of making London a zero carbon city by 2050, new development will need to minimise its contribution to London's emissions by meeting the highest standards of sustainable design and construction.

In October 2016, the Mayor introduced London's zero carbon homes policy requiring all major residential developments to achieve at least a 35 per cent on-site reduction in greenhouse gas emissions above and beyond national government's standards (the 2013 Building Regulations). Where the target cannot be met on-site, developers are able to offset emissions through other carbon reduction measures off-site. The zero carbon target is expected to be extended to all new developments, including non-domestic buildings, from 2019.

To support the Mayor's zero carbon homes policy and ensure on-site savings are maximised, the GLA is investigating the viability of introducing a new target, through the London Plan, focused on energy efficiency. This is intended to encourage new developments to have lower energy demands and help to drive the deployment of low carbon technology and measures, and cost reductions. It is expected that this target would strengthen the existing energy hierarchy within the London Plan, which requires developers to firstly reduce energy demand and consider passive design measures before considering energy supply options (such as connection to district heating networks) and use of renewable technologies for heating and power generation. In addition, it is expected to reduce energy bills for occupants due to the reduced energy demand. This target would also bolster the Mayor's existing zero carbon homes policy and provide an assurance that the maximum demand reduction has been achieved.

#### **2. Objectives and expected outcomes**

GLA-commissioned consultancy advice would establish options for an energy efficiency target to be included in the London Plan, as an improvement beyond Part L of 2013 Building Regulations.

The GLA are seeking to understand the potential upper limits of such a target, along with the cost and technical implications for domestic and non-domestic developments, with the aim of reducing energy demand from new development (and the associated carbon emissions). The results of this research will feed into the next London Plan.

#### **3. Equality comments**

The evaluation process will be conducted to ensure that submissions are evaluated fairly to select the offer that provides the relevant experience and offers value for money.

#### **4. Other considerations**

##### **a) High level risks**

Risk description	Mitigating actions
1. Increased costs to developers of the	1. ITT clearly sets out the requirement

target being set too high, impacting on development viability.	to set out costs to developers and recommend a range of possible targets. 2. Results to be fed into the London plan viability assessment to test impact on viability prior to implementation.
2. Lack of a robust evidence base to demonstrate that a specific target can be achieved.	1. ITT asks for a technical and cost analysis of setting a range of possible targets with supporting evidence. This should include consideration of existing standards for reducing energy demand within the UK and outside it.

- b) This research links to the Mayor's Environment Strategy and a zero carbon London by 2050 ambition.

#### 4. Financial comments

The Assistant Director's approval is being sought for expenditure of up to £20,000 for the procurement and the appointment of consultants to explore the viability of introducing a new energy efficiency target for the zero carbon homes policy. The cost will be funded from London Plan Programme 2017-2018 Budget.

#### 6. Legal Comments

N/A

#### 7. Planned delivery approach and next steps

Activity	Timeline
Review tender submissions	Late June/early July
Award contract	Early July
Inception meeting	Early July
Draft report	Mid-July
Review meeting	Mid-July
Final deliverables	End July/early Aug

## Appendices and supporting papers:

### Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary.

**Note:** This form (Part 1) will either be published within one working day after approval or on the defer date.

### Part 1 Deferral:

#### Is the publication of Part 1 of this approval to be deferred? YES

If YES, for what reason:

This work is to inform London Plan policy. As our position is not fixed on this yet and the London Plan policy won't be made public until later this year we don't want to publicise this work until our position is established.

Until what date: Until the London Plan is published for consultation in November 2017.

**Part 2 Confidentiality:** Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – No

### ORIGINATING OFFICER DECLARATION:

#### Drafting officer:

Anne-Marie Robinson has drafted this report in accordance with GLA procedures and confirms that the Finance and –if relevant- Legal teams have commented on this proposal as required, and this decision reflects their comments.

#### Corporate Investment Board:

The Corporate Investment Board reviewed this proposal on 19<sup>th</sup> June 2017

### HEAD OF FINANCE AND GOVERNANCE:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature:



Date:

20.06.17