

Statement of Common Ground between City of

Westminster and UK Net Zero Carbon Building Standard

November 2024





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1 Introduction

1.1 Introduction

1.1.1 Introduction

- 1.1.1.1 This document has been submitted as a proposed Statement of Common Ground (SoCG) between the Net Zero Carbon Buildings Standard Limited (NZCBS Ltd) and Westminster City Council (WCC), hereafter known as "the parties".
- 1.1.1.2 This SoCG relates primarily to the proposed Retrofit First policy in the Westminster City Plan Partial Review.
- 1.1.1.3 The UK Net Zero Carbon Building Standard (UKNZCBS)1 is the UK's first cross-industry Standard that brings together net-zero carbon requirements for all major building types, based on a 1.5°C global warming heating trajectory. It enables the built environment and real estate industry to robustly prove that their built assets are net-zero carbon, and in line with the UK's climate targets. The Standard is published and maintained by NZCBS Ltd, a private company which upholds all founding principles of the Standard and will continue to work with the UK built environment and real estate industry to facilitate the development of future versions of the Standard.
- 1.1.1.4 This SoCG focusses on points raised in representations made by NZCBS Ltd during the Regulation 19 consultation, and reviews whether proposed modifications to the policy have had an impact upon the matters raised during consultation. Where agreement between parties have subsequently been reached, and any remaining areas of disagreement are detailed in this statement.
- 1.1.1.5 This document is structured as follows:
 - Introduction
 - \circ Section 1.1 Introduction
 - Policy Matters
 - Section 2.1 Regulation 19 consultation
 - o Section 2.2 Policy Matters Agreed Between Parties
 - Section 2.3 Agreed Modifications to Policy
 - o Section 2.4 Policy Matters Currently Outstanding
 - Conclusion
 - o Section 3.1 Conclusion

¹ UK Net Zero Carbon Buildings Standard. <u>https://www.nzcbuildings.co.uk/</u>

Policy matters

2.1 Regulation 19 consultation

2.1.1 Regulation 19 consultation period

- 2.1.1.1 The Regulation 19 consultation ran for a period of eight weeks from the 14th of March 2024 to the 9th of May 2024. During this time, representations were received from a range of interested parties with regards to the policies proposed as part of the City Plan Partial Review. This included the proposed Policy 43 Retrofit First.
- 2.1.1.2 NZCBS Ltd submitted a consultation response to WCC on the 25th of April 2024. This took the form of a letter of support, which was authored on behalf of the Governance Board and Technical Steering Group of the UKNZCBS. The letter stated the following:

"I would like to start by congratulation Westminster City Council on taking such proactive steps towards prioritising retrofit and low-carbon design through this proposed update to the City Plan. However, I am writing regarding your use of embodied carbon limits. The proposal being shared for consultation uses LETI targets to set limits for the embodied carbon of projects. Given the forthcoming release of the NZCBS later this year, I would like to recommend that you replace your reference to the LETI targets with a reference to the NZCBS limits.

The work of the NZCBS team to set embodied carbon limits that are both informed by what is possible on projects, as well as what is needed to keep the building industry below a 1.5° trajectory, mean that the limits in the NZCBS are likely to become adopted by the construction industry as best practice. LETI have also been strongly involved in our work since the outset and I'm sure would support this recommendation."

2.1.2 Proposed amendments to Retrofit First policy following the Regulation 19 consultation period

- 2.1.2.1 Following the receipt of a number of consultation responses on the Retrofit First policy, including those received from NZCBS Ltd, a series of proposed amendments were made to the policy.
- 2.1.2.2 The proposed amendments were circulated to NZCBS Ltd for further review and comment. A key change included the removal of the references to LETI bands, with revised numerical targets specific to Westminster proposed instead.
- 2.1.2.3 Through a review of the proposed modifications to the policy, a revised list of matters agreed between parties was developed. This is included in further detail in Section 2.2 below.

2.2 Policy Matters Agreed Between Parties

2.2.1 Overview of policy matters agreed between parties

- 2.2.1.1 WCC and NZCBS Ltd agree that the City Plan Partial Review should include a Retrofit First policy. A number of policy matters are agreed to by both parties. This includes the following:
 - a) The principle that the policy should encourage the retrofit and reuse of existing buildings over the creation of new buildings, where possible.
 - b) The support for development which promotes low-carbon, high performing, energy efficient and adaptable buildings.
 - c) The introduction of a sequential test to limit the instances where substantial demolition is allowed, encouraging lower carbon development options to be considered first.
 - d) The requirement for Circular Economy Statements to be prepared.
 - e) Upfront embodied carbon requirements as a key mechanism to drive sustainable change across the industry.
 - f) Support for the introduction of numerical upfront embodied carbon requirements, rather than relying on the use of LETI bands.
 - g) Support for the scope of the upfront embodied carbon requirements, alongside the need for major schemes and all schemes involving substantial demolition to undertake a whole life carbon assessment.
 - h) Support for the numerical figures used within the proposed modifications to the policy, noting alignment with the emerging UK Net Zero Carbon Building Standard (UKNZCBS).
 - i) Through a deeper understanding of the City Plan Partial Review timelines and ambitions, it is not appropriate at this time for planning policy to reference the UKNZCBS, given it is currently in Pilot version and is not currently applicable to buildings at design stage (i.e. when planning applications would be submitted). However, it is pertinent that any future reviews of the policy (for example, through the City Plan Full Review, scheduled to commence in 2025) that a collaborative effort seeks to ensure alignment with the UKNZCBS, including for both embodied carbon and operational energy use, to further promote standardisation and widespread decarbonisation of the UK's built environment.
 - j) The preparation of a dedicated guidance document (to become a future Supplementary Planning Document) which gives further details on the scopes of whole life carbon assessments and how these should be carried out for planning purposes. Where relevant, the guidance document should make reference to the processes outlined within the UKNZCBS to ensure alignment with the Standard and consistency of approach.

2.3.1 Proposed modification to policy

2.3.1.1 Through subsequent discussions and negotiations, WCC have agreed to make a number of additional amendments to the Regulation 19 version of Policy 43 – Retrofit First. These modifications have been incorporated within the CORE_002 Schedule of Modifications document. These have been reproduced here for completeness in Table 2.1 where there is a direct correlation with a proposed change suggested by and agreed with NZCBS Ltd.

Table 2.1: Summary of agreed modifications to Policy 43,	relevant to NZCBS Ltd
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Reference	Proposed modification	Justification
S/43/13 S/43/14 S/43/15 S/43/18 S/43/21	Change reference from: 'upfront embodied carbon <i>target'</i> to 'upfront embodied carbon <i>aspirational requirement</i> '.	Amendment proposed to ensure consistent language being used across the industry, linking with the terminology used within the UKNZCBS
S/43/36 S/43/37 S/43/38 S/43/46 S/43/47	Change reference from: 'upfront embodied carbon <i>absolute maximum</i> ' to 'upfront embodied carbon <i>limit</i> '.	(where targets are 'minimum requirements', and limits are 'maximums' that shall not be exceeded).

2.4 Policy Matters Currently Outstanding

2.4.1 Overview of policy matters currently outstanding between parties

- 2.4.1.1 WCC and NZCBS Ltd agree that the City Plan Partial Review should include the Retrofit First policy, including the numerical figures as upfront embodied carbon limits and aspirational requirements, and the need to ensure alignment with the UKNZCBS when the City Plan undergoes its Full Review, as scheduled for 2025.
- 2.4.1.2 On this basis, and in line with the modifications agreed to in Section 2.3 of this Statement, there are no current policy matters outstanding between parties.

Conclusion

3.1 Conclusion

3.1.1 Conclusion

- 3.1.1.1 This SoCG has been prepared in collaboration with WCC officers and representatives of NZCBS Ltd from October to November 2024 and represents our respective positions as of November 2024.
- 3.1.1.2 The statement has been prepared as a live document that can be updated in response to any issues arising through the examination, as necessary.

3.1.2 Signed confirmation

3.1.2.1 Both parties consider that this SoCG represents an accurate record of their respective positions in relation to draft Policy 43 – Retrofit First.

Signed on behalf of Westminster City Council						
Name and Position	Signature	Date				
Debbie Jackson Executive Director of Regeneration, Economy and Planning Westminster City Council	Had.	28/11/2024				

Signed on behalf of Net Zero Carbon Buildings Standard Limited					
Name and Position	Signature		Date		
David Partridge Chair, UK Net Zero Carbon Buildings Standard Governance Board Net Zero Carbon Buildings Standard Limited	Drd	hmz.	21 November 2024		

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