

Committee(s): Operational Property and Projects Sub Committee – For Decision Policy and Resources Committee – For Decision Bridge House Estates Board – For Decision	Dated: 03/07/2023 21/09/2023 26/09/2023
Subject: Adoption of Design Standard	Non-Public
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?	5, 7, 10, 12
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	
What is the source of Funding?	Climate Action Strategy
Has this Funding Source been agreed with the Chamberlain’s Department?	Y
Report of: Paul Wilkinson, City Surveyor	For Decision
Report author: Graeme Low, Energy and Sustainability	

Summary

1. In the coming years, the CoLC will have to meet exacting new sustainability standards. CoLC is committed to achieving net zero emissions from our own operations by 2027 and across our investments and supply chain by 2040. One of the largest contributors to CoLC’s emissions is its buildings and estate.
2. This document makes the case for Committee endorsement to adopt the Design Standard (Appendix 1). It will demonstrate how the formal adoption of the Design Standard will be the quickest and most effective means of meeting CoLC’s sustainability objectives.

Recommendations

Members are asked to:

- Endorse the formal adoption of the Design Standard.
- Delegate authority to the City Surveyor and CAS SRO (Director of Economic Development, Innovation and Growth) for approval of annual updates to the Design Standard.

Main Report

Background

3. CoLC is targeting a carbon emissions reduction of 84% by financial year 2023-24, rising to 96% by 2025/26. It aims to achieve net zero carbon emissions across its own operations by 2027.

4. Buildings represent 39% of global greenhouse gas emissions, including 28% in operational emissions and 11% in building materials and construction. (World Green Building Council)
5. CoLC commissioned Arcadis in May 2022 to produce Design and Technology Standards. The Design Standard was developed to accelerate action in meeting net zero targets. It has been created to support the City's the Climate Action Strategy (CAS), launched in 2021.
6. The Standard was produced following a comprehensive review of recognised external standards and guidance (including BREEAM, RIBA Stages and LETI). It included a review of existing CoLC policies and processes, and extensive consultation with key CoLC teams.
7. The purpose of the Design Standard is to embed sustainability principles on all future capital projects (refurbishments and new build) whilst meeting the highest commercially viable standards for sustainable and low carbon design and future resilience. The incorporation of whole life cycle cost and carbon analysis will support achievement of CoLC's net zero targets.
8. The intention is to provide a common standard across all projects. This will enable project managers and decision makers to recognise 'what good looks like' in terms of meeting our net zero targets.
9. The Design Standard comprises of several themes, some of which were focused projects.
10. Focused projects include Whole Life Carbon (WLC). The purpose was to develop a consistent approach to assessing and capturing the embodied and operation carbon for CoLC assets. Deliverables included a bespoke CoLC WLC Checklist, and pilot of the WLC Checklist on select CoLC projects.
11. Additionally, the Technology Standard has been incorporated into the Design Standard document. The objective was to provide a suite of technologies that meet a minimum sustainability criterion. For example, equipment that is more energy efficient and requires less maintenance.
12. The Standard is aligned with the GLA's Life-Cycle Carbon Assessment Guidance. It follows the methodology of the Carbon Options Guidance developed by the CoLC Planning department.

Current Position

13. The Design Standard has now been developed. Initially the Standard will be used as guidance. For CoLC to achieve its net zero targets and embed sustainability across the Corporation, the adoption of the Design Standard needs to be formally approved.
14. The Standard represents the best opportunity to establish consistent sustainability principles for application on new schemes and refurbishments.
15. We are currently testing the Design Standard in a series of pilot projects. The pilots will be an opportunity to refine the Standard.
16. All pilots are expected to be completed by the end of 2023.
17. The output of the pilots will support the development of thresholds to show the minimum, expected and outstanding sustainability expectations on projects.
18. We are actively engaged with the Programme Office to understand how the Standard can be incorporated into Project Procedure.

Options

19. CoLC's sustainability obligations are unavoidable. However, there are three options regarding the adoption of the Design Standard. Each will have its own costs and consequences.

- **Approve Adoption of the Design Standard (Recommended Option).** Early adoption provides a wealth of benefits outlined in the table below. It will ensure that minimum sustainability standards are implemented on all projects, contribute to the net zero targets and set a strong example to public and private sector.
- **Await further evidence.** This will delay CoLC's ability to meet its sustainability commitments, net zero targets and risk damage to corporate reputation and incur continued costs.
- **Continue as Guidance-Only.** This will fail to ensure consistency and widespread adoption of sustainability across the corporation.

Design Standard Adoption: Benefits and Risks Table

Benefits	Risks
Setting a leading example to Public and Private sector	Additional resource and time to fulfil the Standard requirements, this can be factored initially Buy in from key stakeholders e.g., project managers, FM team. Communications and training will support It is anticipated that to embed sustainability on projects will cost more. Factored in when setting budgets
Creating buildings that are more sustainable in design and operation	
Improving resilience of assets	
Designing out and reducing waste	
Contributing immediately to our net zero targets	
Reducing compliance costs e.g., London Plan, Part L	
Improving collaboration and coordination between operational and capital projects teams	
Reducing maintenance and management burden on FM teams	
Introducing minimum standards on sustainability	
Future proofing assets, avoiding the need to retrofit in the future	
Application of a whole life approach to our assets	
Demonstrate support the Corporation's aspiration to sign up to the C40 Clean Construction declaration	

Proposal

20. The development of the Design Standard has been funded through Climate Action and made available internally to all colleagues via the CoL intranet. Training sessions are being organised and will be offered to all relevant staff.

21. The pilots will be undertaken on live projects, with compliance captured via the Design Standard Tracker (Appendix 2). The tracker, general feedback and

learnings from the external project delivery team and CoLC project leads will be captured regularly and information the review and update at the end of the year.

22. Where interdependencies have been identified, engagement with the team leads has been planned and included in the programme for Year 3. For example, Responsible Procurement, Circular Economy and PMO to review and update their policies and processes to incorporate the Design Standard requirements.
23. There are a growing number of CoLC departments that have a part to play in enabling the success of the Design Standard. Adoption of the Design Standard is critical to drive action and build in sustainability into existing policies and procedures and create new ones where necessary.

Corporate and Strategic Implications

24. The adoption of the Design Standard will support the delivery of the City's Corporate Plan as follows:

5. Businesses are trusted and socially and environmentally responsible. Consistent application of sustainability principles on all projects will provide assurance through the actions CoLC is taking.

7. We are a global hub for innovation in finance and professional services, commerce and culture. The Design Standard is an innovative solution to adopting a holistic approach by considering sustainability in all aspects of the asset life cycle.

10. We inspire enterprise, excellence, creativity and collaboration. The Design Standard invites collaboration internally and through the external project delivery teams.

12. Our spaces are secure, resilient and well-maintained. A core objective is to future proof assets and avoid the need to retrofit.

Financial implications

25. Future development of the standard will be funded from the Climate Action Strategy. Funding provided to date is just over £500,000.

Resource implications

26. Resource funded by Climate Action will support the implementation of the Design Standard.

Legal implications

27. Statutory obligations around planning and building regulations that will need to comply with; the Design Standard will support meeting compliance requirements.

Risk implications

28. Adoption of the Design Standard will assist CoLC in meeting Climate Action Strategy targets and reduce reputational risk associated.

Climate implications

29. A consistent application of the Design Standard will support CoLC to reduce carbon emission from its buildings and reduce its impact.

Equalities implications - None

Security implications - None

Conclusion

30. Action on sustainability is unavoidable. CoLC is targeting a carbon emissions reduction of 84% by financial year 2023-24, rising to 96% by 2025/26. It is this report's recommendation that endorsement of the adoption of the Design Standard will be the quickest and most effective means of meeting CoLC's sustainability objectives. Early adoption will ensure that minimum sustainability standards are implemented on all projects, contribute to the net zero targets, strengthen corporate reputation, and set a strong example to public and private sector.

Appendices

- Appendix 1 – Design Standard Document
- Appendix 2 – Design Standard Tracker Document

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