Memorandum of Understanding

between

Stevenage Borough Council

and

Hertfordshire and West Essex Integrated Care Board

on

The Stevenage Borough Local Plan Partial Update 2025

1. The Parties

1.1. This Agreement is between Stevenage Borough Council ("the Council") and Hertfordshire and West Essex Integrated Care Board ("the HWE ICB") (together "the Parties").

2. Introduction

- 2.1. The Stevenage Borough Local Plan 2011-2031 ("the Local Plan") was adopted by the Council on 22 May 2019 and forms part of the development plan for Stevenage Borough. It sets out a vision and a framework for future development and is comprehensive in this respect except for policies relating to minerals and waste.
- 2.2. The Council is obliged by regulation 10A of the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended) to review the Local Plan every five years from the date of adoption. The Council duly carried out a review in 2024 and subsequently commenced the process of partially updating the Local Plan ("the Local Plan Partial Update").
- 2.3. The Council is also obliged by section 33A of the Planning and Compulsory Purchase Act 2004 (as amended) to co-operate with local planning authorities, the county council and other prescribed bodies in the preparation of development plan documents (e.g. the Local Plan Partial Update) so far as relating to strategic matters. The ICB is a prescribed body for the purposes of section 33A.

3. Purposes

- 3.1. The purposes of the Agreement are as follows:
 - (a) to demonstrate that the Parties have co-operated effectively on all strategic matters arising from the Local Plan Partial Update; and

- (b) to highlight the areas of agreement and disagreement on those matters in order to assist the examination of the Local Plan Partial Update.
- 3.2. The Agreement is a live document which will be reviewed and updated as co-operation on strategic matters continues on an ongoing basis. A schedule of past and planned future meetings alongside key Local Plan Partial Update milestones is shown at Appendix 1.

4. Strategic Matters

- 4.1. The strategic matters requiring co-operation between the Parties are those which have a potentially significant impact on the provision of health services and facilities across Hertfordshire and West Essex. This includes but is not necessarily limited to the use of land in Stevenage for health infrastructure as identified in the Infrastructure Delivery Plan (covering primary care, mental health and community healthcare, acute services and the ambulance service).
- 4.2. The Parties have met regularly to discuss these matters and will continue to do so. A schedule of past and planned future meetings alongside key Local Development Scheme milestones is shown at Appendix 1.
- 4.3. The Council has also included the HWE ICB in the regulation 18 and regulation 19 consultations on the Local Plan Partial Update. The outcome of these consultations is provided as Appendix 2.
- 4.4. The Parties agree that within the context outlined in paragraph 4.1, the substantive issues arising from the Local Plan Partial Update are as follows:
 - (a) the CO₂ emissions targets introduced by Policy CC1; and
 - (b) the restrictions on energy-dependent cooling systems introduced by Policy CC2.

4.5. CO₂ Emissions Targets

- 4.5.1. Policy CC1 is an emerging policy in the Local Plan Partial Update, which sets CO₂ emissions targets for development in Stevenage. From the date of adoption, it will require major developments to achieve net-zero regulated operational emissions and for the very largest developments, it will also require net-zero emissions from construction and demolition works.
- 4.5.2. The Council recognises that this ambition, which is effectively that all new major development in the borough will be carbon neutral from 2026, does not align with the NHS' own target to achieve a net-zero health service by 2045. It is also noted the NHS is taking a stepped approach to meeting their target. For emissions that the NHS directly controls (the NHS footprint) the target is 2040, while the target for emissions the NHS can influence (NHS Carbon Footprint plus) the target is a 80% decrease by 2036 to 2039, followed by net zero by 2045.

- 4.5.3. The HWE ICB is supportive of local plan reviews across Hertfordshire and west Essex where the local planning authority has chosen to set energy efficiency standards that go beyond building regulations, and bring forward Government set net zero targets. The HWE ICB and NHS system partners are therefore supportive of Policy CC1 and the policy intention of the Local Plan Partial Update to support emission reductions and mitigate climate change.
- 4.5.4. However, NHS commissioners and providers of NHS services are continuing to plan to meet building requirements in line with NHS set targets and the Government's own target of net zero by 2050. As such, the NHS is concerned that it will be unable to meet the Council's locally set target for its own capital health projects in Stevenage, due to the feasibility of and financial implications of meeting an earlier target. The consequence of this is that any new major development proposals for Stevenage brought forward by the NHS from 2026 onwards would likely be contrary to Policy CC1. As such the NHS is duly concerned that this will impact on the delivery of capital projects and the provision of health services and infrastructure to meet housing growth in the borough.
- 4.5.5. In response to these concerns, the Council considered introducing an exemption to Policy CC1 for health service hospitals¹. The Council decided not to pursue this exemption because it is very firmly of the opinion that in all reasonably conceivable cases, the benefits of granting permission for health service infrastructure would very significantly outweigh any potential conflict with Policy CC1 and therefore the policy would be highly unlikely to have any impact on the delivery of health infrastructure in the borough. With that in mind, it would be preferable for proposals of that nature to report their expected emissions and get as close to the net-zero target as possible rather than being entirely exempt from the policy.
- 4.5.6. In response to the Council's consideration to introducing an exemption to Policy CC1, the HWE ICB and NHS system partners would welcome an exemption. This would mean in practice that the NHS would still submit an energy statement for major/large scale major health infrastructure developments to the Council for review, as part of any planning application. This energy statement would include both the proposed demand and supply side energy efficiency measures proposed, demonstrating not only the NHS' own commitment to reduce the NHS' own carbon footprint, but which will also demonstrate support for the Council's own net zero target.
- 4.5.7. The Council expects the emerging climate change policies in the Local Plan Partial Update, in particular Policy CC1, to be closely scrutinised during examination. The Parties agree that the potential impact on health services should be considered as part of this process. The Council further agrees that it remains open to implementing an exemption for health service hospitals¹ should it be deemed necessary following examination.

4.6. <u>Energy-Dependent Cooling Systems</u>

¹ As defined by Article 2 of the Town and Country Planning (Development Management Procedure) (England) Order 2015 (as amended) and for the avoidance of doubt, including primary care, mental health, community healthcare, acute services and the ambulance service

- 4.6.1. Policy CC2 is an emerging policy in the Local Plan Partial Update, which seeks to limit the use of energy-dependent cooling systems. In the regulation 18 version of the plan, the policy was worded such that development proposals would need to demonstrate the application of a cooling hierarchy, with solar gain and shading as the starting point and active cooling systems as the last resort to be used on where unavoidable. It is this version of the policy that the HWE ICB made representations on as shown in Appendix 2.
- 4.6.2. In those representations, the HWE ICB welcomed the Council's acknowledgement that the use of active cooling systems is likely to be unavoidable in healthcare and laboratory settings. However, the HWE ICB also expressed the view that greater clarity was required on what would be considered active or passive measures in order for the cooling hierarchy to be implemented successfully.
- 4.6.3. In the published version of the plan, Policy CC2 was updated such that proposals would no longer have to apply the cooling hierarchy but instead only demonstrate consideration of the various active and passive methods of cooling. The only remaining firm requirement of the policy is that the use of energy-dependent cooling systems is minimised to those circumstances where it is unavoidable.
- 4.6.4. The HWE ICB agrees that this revision of Policy CC2 overcomes its previous concerns as to the clarity of the policy. The Parties therefore agree that as revised, the policy is not expected to have any adverse impact on the provision of health services in Stevenage.

4.7. Other Issues

- 4.7.1. The Parties agree that there are no other outstanding issues arising from the Local Plan Partial Update which are relevant to any strategic matters between the Parties.
- 4.7.2. However, the Parties agree to keep this position under regular review as co-operation continues on an ongoing basis.

5. Signed

5.1.1. Agreed by:

Alex Robinson

Assistant Director for Planning and Regulation

on behalf of

Stevenage Borough Council

Sue Fogden

Director – Estates and Capital

on behalf of

NHS Hertfordshire and West Essex Integrated Care Board

Appendix 1

Schedule of Meetings and LDS Milestones

Date	Event
13 September 2023	HWE ICB / Council Review Meeting
8 February 2024	HWE ICB / Council Review Meeting
5 July 2024	Regulation 18 consultation opens
14 August 2024	Regulation 18 consultation closes
24 October 2024	HWE ICB / Council Review Meeting
18 November 2024	HWE ICB / Council MoU Meeting
21 November 2024	Regulation 19 consultation opens
14 February 2025	Regulation 19 consultation closes
24 June 2025	Addendum consultation opens
4 August 2025	Addendum consultation closes

Appendix 2

Formal Consultation Responses and Outcome

Theme	Policy	Comments	Outcome
Climate Change	Revised policy SP1, SP11	Policy SP1: Climate Change The policy ambition of SP1 seeks to ensure development proposals contribute to both mitigating and adapting to climate change and is supported. It is noted that the issues listed a. to I. provide a comprehensive list of considerations that will need to be addressed by applicants when submitting planning applications. New paragraphs 5.1A to 5.1H In the context that more than 2,500 people were killed by heatwaves across the UK in 2020 and nine out of the ten hottest years on record have occurred in the last decade, it is suggested that additional text is inserted that recognises climate change threatens the foundations of good health, with direct and immediate consequences to local communities, patients, and the NHS. Further, that climate change risks increase the prevalence of certain health conditions. The NHS estate accounts for 15% of the NHS's total carbon footprint. Further, the NHS accounts for around 40% of public sector emissions. As such the NHS as a public body has a critical role to play in delivering net zero from NHS operational activities and strategic decision making. In response to the UK government's call to become a low carbon economy, the NHS published the 'Delivering a Net Zero NHS' report (2020) that sets out the ambitions to achieve a net zero target by 2050. The two main goals of the report are: Net zero by 2040 for emissions that the NHS directly controls (the NHS footprint), with an 80% decrease by 2028 to 2032.	Additional subtext included under Policy SP1 relating to health and wellbeing.

	For emissions, the NHS can influence (NHS Carbon Footprint plus) net zero by 2045, with an 80% decrease by 2036 to 2039. NHS commissioners and providers of NHS services are specifically addressing these net zero emissions targets, with the HWE ICB and provider trusts working together to progressively remove carbon emissions from all operational activities and strategic decision making, with a focus on direct intervention opportunities within estates and facilities, travel and transport and the supply chain. More recently the NHS Net Zero Building Standard, published on 22 February 2023, provides technical guidance to support the development of sustainable, resilient, and energy efficient buildings that meet the needs of patients now and in the future. This standard is relevant to new build and upgrades to existing healthcare buildings. This Standard was developed with healthcare, industry, and sustainability partners and will support the NHS meet building requirements, as well as meet its commitments to deliver a net zero health service by 2045.	
Policy CC1	Stevenage Net Zero emissions target The suggested new text says, 'Locally-driven action will be crucial to meeting this [Paris Agreement] target. Accordingly, the council has committed to ensuring that Stevenage has net-zero emissions by 2030 and has developed a climate change strategy and action plan'. This locally set net zero emissions target is at odds with the UK's commitment, under the Paris Agreement where a target has been set to reduce emissions by 45% by 2030, and to reach net zero by 2050. Also, this locally set target does not align with the NHS' own targets, as explained above. With regards to new policy CC1: Energy efficiency, where major development proposals must achieve net zero regulated operational emissions, the NHS is working to a later timeline that are consistent with national targets to ensure that NHS delivers a net zero health service by 2045. As such the HWE ICB and	The council is content to introduce an exemption to Policy CC1 for health service hospitals.

	system partners do not support Stevenage's locally set and earlier target, nor can fully support new policy CC1. With regards to policy CC1: Energy efficiency, please note earlier comments. In addition, it is suggested that the accompanying text should be inserted to make it more explicit what evidence an applicant is required to submit to demonstrate how proposals comply with Policy CC1 and clearer on the level of detail required to meet the requirement that the detail required 'will be proportionate to the scale and complexity of the proposal'.	
Policy CC1	Our detailed comments set out below are focused on ensuring that the needs of the health service are embedded into the Local Plan in a way that supports sustainable growth. When developing any additional guidance to support implementation of Local Plan policies relevant to health, for example in relation to developer contributions or health impact assessments, we would request the Council engage the NHS in the process as early as possible. One of the key strategic areas of the consultation is the local plan's response to Climate Change. The new and adapted policies seek to better mitigate as well as adapt Stevenage from the effects of climate change. NHSPS fully support policies that promote carbon neutral development, particularly policies SP1 and CC1 which introduces the securing of financial contributions where on-site carbon mitigation requirements cannot be met. In considering the implementation of policies related to net zero, we would highlight that NHS property could benefit from carbon offset funds. This would support the NHS to reach the goal of becoming the world's first net zero healthcare provider.	Discussed November 2024 – to be pursued further in new local plan.
Policy CC2	With regards to policy CC2: Heating and Cooling, it is noted the policy recognises that in some instances, the use of active cooling systems may be unavoidable, with the accompanying text saying. 'this may include healthcare and laboratory settings, where precise temperature control is essential to the use. In these circumstances, the cooling systems should ideally be designed to reuse the waste heat that they produce'. This acknowledgment that the use of	Policy CC2 has been amended so that proposals must demonstrate their approach to heating and cooling rather than apply a strict hierarchy.

active cooling systems may be unavoidable in a healthcare setting is welcomed.
Policy CC2 requires more clarity in regard to insulation. Passive measures are as helpful in terms of clarity as much as the active measures.