WATERMAN SUSTAINABILITY SERVICES

Draft London Plan 2026

Sustainability guidance for developers

Illustrative London streetscape

The draft London Plan proposes limits on the energy buildings use and the carbon associated with their construction. If adopted, these would influence the amount and type of accommodation a site can support, the form of the building and the cost of delivering it. Developers need to understand these implications while the development options are still being considered.

The first step is to establish whether the proposed scheme has a credible route to meeting the requirements. Where it does, the design and procurement process need to protect that position. Where it does not, the team needs to identify what can change and whether the policy allows a justified alternative. A sustainability statement prepared after the main design decisions have been taken will have limited ability to resolve those issues.

11 September 2026 | Revision P01

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Which Plan applies

The draft was published on 16 July 2026. Consultation closes at 5pm on 15 October 2026; adoption is anticipated in early 2028, following examination. The London Plan 2021 remains the adopted framework. Applications being prepared now need to address adopted policy and consider the weight given to emerging policy at determination. Submitting before adoption should not be treated as a guarantee that the draft can be disregarded. Borough policies, validation requirements and any existing planning obligations also need checking. [1, 5]

The policy sequence

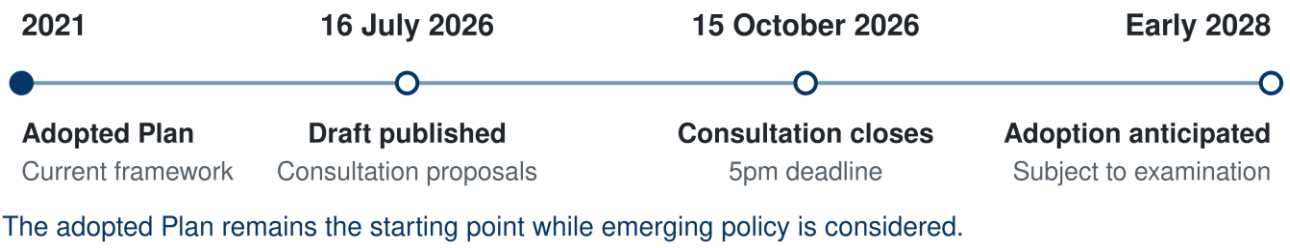

Figure 1 Consultation milestones and anticipated adoption. Timing follows the report references. [1, 5]

What the developer will need to submit

Main assessment	Draft London Plan scope
Energy statement or proforma	Major development under GHR1
Low Carbon Heat Appraisal	Major development under GHR2, with a stated exception for mandated network connections
Overheating assessment	Major development under GHR4
Whole life carbon assessment	Referable applications under GHR3
Circular Economy Statement	Referable applications under GLE11; circular economy principles apply more widely

A referable application is one that must be sent to the Mayor because it meets the relevant strategic thresholds. This is a separate test from whether development is “major”. A scheme below the referral threshold may still need assessments under borough policy, so a smaller project should not assume it is exempt from sustainability requirements. [2, 3, 8]

Confirm the sustainability statement’s format against the borough validation list. It should bring the project’s position together: which requirements apply, how the design responds, what remains unresolved and how the commitments will be delivered. The specialist assessments provide the supporting evidence. Their assumptions and drawings need to describe the same scheme; a positive conclusion in one report cannot resolve a conflicting result in another.

THE CHANGE IN POLICY

What has changed from the 2021 Plan

The largest changes concern operational energy, the selection of heating systems and upfront carbon. Circular economy assessments and reporting after construction are already part of the current framework. Developers should therefore distinguish changes in the policy test from obligations that have simply been carried forward. [2, 3, 5–8]

Subject	London Plan 2021 and current guidance	Draft London Plan 2026
Energy	SI2 sets regulated-carbon targets against Part L and already requires unregulated emissions to be calculated and minimised.	GHR1 sets limits on total energy use (EUI), alongside space-heating-demand limits.
Carbon offsetting	Residual regulated emissions can be addressed through an agreed contribution or off-site route after on-site reductions.	The carbon offsetting policy is removed. An offset contribution is not a proposed route for meeting an energy-use limit.
Heating	SI3 uses a heat hierarchy, with a preference for networks and communal systems in Heat Network Priority Areas.	GHR2 requires a comparison of suitable systems on carbon and cost, including communal and individual options, subject to national network requirements.
Whole life carbon	SI2 and GLA guidance require referable schemes to assess and reduce whole life carbon, with guidance benchmarks.	GHR3 puts upfront carbon baseline and aspirational targets into policy, alongside retention and whole life assessment.
Circular economy	SI7 and current guidance already address audits, statements, waste targets, recycled content and completion reporting.	GLE11 retains this approach and sets out the strategic benchmarks in policy, linked to retention and carbon reduction.
Energy in use	The “Be Seen” approach already requires monitoring and reporting after completion.	At least five years of reporting is retained, with the proposed energy-use targets providing a clearer performance reference.

The implications for development decisions

GHR1 would replace the principal regulated-carbon test with limits on total energy use and heating demand. Unregulated emissions already need calculating and minimising under SI2; the change is to bring that consumption within the EUI target. Occupier equipment and hours therefore need a realistic allowance. GHR3 adds an explicit upfront-carbon target to the existing whole life assessment. These tests can affect specification and development capacity. [2, 5]

The heating appraisal offers more scope to select a solution suited to the development. It also requires a credible comparison of the options. A lower initial plant cost may be offset by higher maintenance, distribution losses or occupier charges. The preferred solution needs to work for the asset and its users over time. [2]

GHR1 also proposes consistent London-wide energy standards, with boroughs directed not to set separate energy-efficiency or emissions standards. This would reduce variation in future local requirements. It does not remove adopted borough requirements today. The proposed removal of carbon offsetting should likewise remain a sensitivity in the development appraisal until the applicable policy changes. [2]

ENERGY USE

Energy and the heating strategy

Current SI2 expects major development to achieve net zero regulated carbon, with at least a 35% on-site reduction against Part L. Within that reduction, energy efficiency alone should achieve at least 10% for residential and 15% for non-residential development against the same baseline. The current GLA guidance uses Part L 2021. Residual emissions need an agreed offset route. The draft introduces a different measure: the total energy the building is expected to use each year. [2, 5, 6]

Draft annual energy use targets

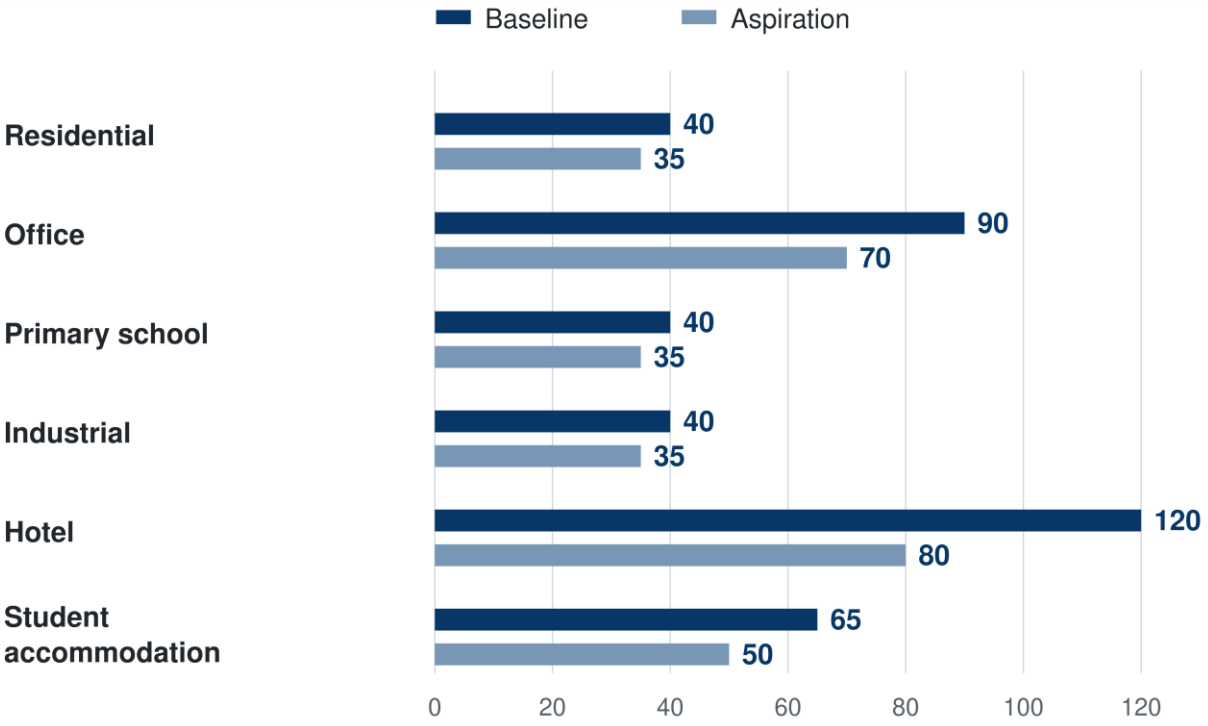

Figure 2 Baseline and aspirational EUI in kWh/m^2 GIA/year. Lower values mean less energy demand. These are draft targets, not project predictions. [2]

Figures are kWh per m^2 gross internal area (GIA) per year, referred to as Energy Use Intensity (EUI). Baseline figures are energy ceilings; lower figures are the aspirational targets. Space Heating Demand is a separate test, with a baseline of 20 and aspiration of 15 kWh/m^2 GIA/year across the listed typologies. [2]

What this means for the scheme

The energy assessment needs to reflect the proposed use, including equipment, hot water and likely operating hours. For example, an office predicted to use 100 kWh/m^2/year would be above the draft baseline of 90. Adding solar panels would not reduce that demand figure: the supporting evidence treats renewable generation separately. The team would need to reduce consumption through the building design, services or operational brief. A Part L pass would not settle this issue. [2, 9]

The main opportunities need testing together: glazing and shading, insulation, ventilation, hot water losses and plant efficiency. Space Heating Demand measures the heat the building needs, so a more efficient heat pump cannot compensate for excessive heat loss. Major refurbishments and unlisted uses have a different route: they should minimise and report demand against relevant industry benchmarks. Mixed-use and specialist buildings need an agreed assessment approach rather than an assumed office or residential target. [2]

How much choice is there over heating

GHR2 allows communal and individual systems to be assessed on their merits. The Low Carbon Heat Appraisal should compare suitable options using consistent assumptions for capital cost, maintenance, replacement and occupier bills. Grid capacity, plant space, noise and phasing may determine which options are practical. A preferred technology or a general statement that space is limited will not, by itself, explain why alternatives cannot work. [2]

National heat-network requirements may constrain that choice. The draft says the appraisal is unnecessary where connection is mandated through the national process and the proposal complies. Otherwise, available and planned networks remain part of the options assessment. Renewable generation, storage and use should also be maximised, with roof space considered alongside plant, landscaping and amenity provision. [2]

Whole life carbon and the case for redevelopment

Whole life carbon covers emissions from constructing, operating, maintaining and eventually dismantling a building. The draft adds explicit targets for upfront carbon: the emissions associated with materials and construction before occupation. This makes the choice of development form and structural solution particularly significant. A building can perform well in operation and still exceed the upfront target. [2]

Draft upfront carbon targets

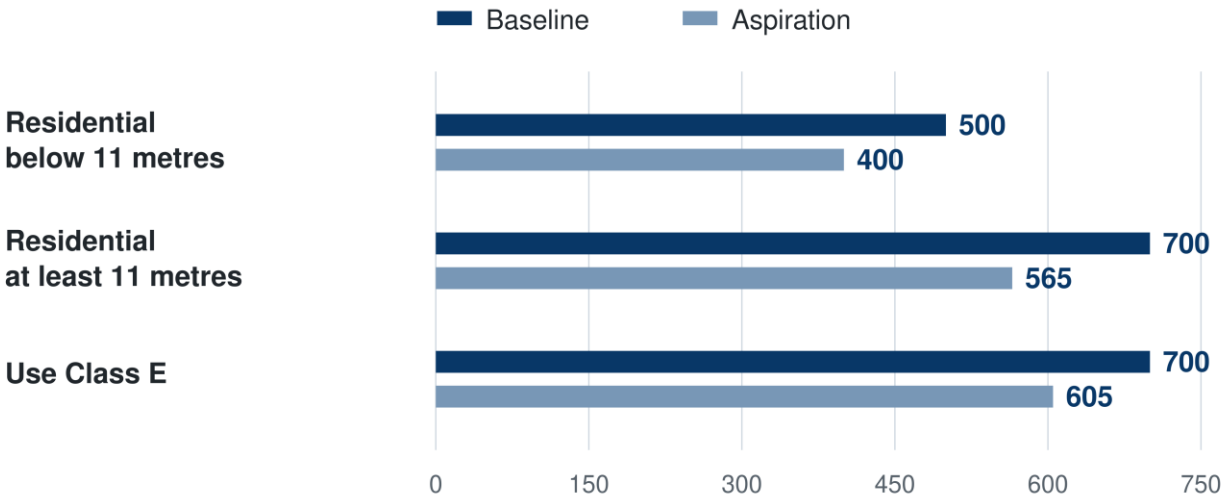

Figure 3 Baseline and aspirational targets in $kgCO_2e/m^2$ GIA for stages A1–A5. Lower values mean lower upfront emissions. These are draft targets. [2, 10]

Figures are $kgCO_2e/m^2$. The target evidence uses gross internal area and upfront stages A1–A5. The baseline is the minimum expectation; the lower figure is the aspiration. Whole life emissions still need reporting separately. GHR3 expressly applies to referable applications. Clause B also refers to “all new buildings”; confirm any wider design-evidence requirements at pre-application. [2, 10]

RETENTION AND CARBON OPTIONS

An existing building does not rule out redevelopment

Retention and adaptation should be tested first. The pre-redevelopment audit needs to explain what can be retained, what accommodation it can support and the consequences for carbon and performance. Full retention, partial retention and redevelopment may each offer different outcomes. Structural condition, usable space and the works needed to make an existing building suitable are relevant to that comparison. [2, 3]

The draft also recognises the need to optimise site capacity and provide suitable commercial accommodation. Redevelopment can therefore still be justified. The case is stronger where the alternatives have been properly tested and the reasons for discounting them are clear. The carbon implications of demolition and replacement need to be part of the decision from the outset. [2]

A difficult target needs a quantified response

Basements, transfers, long spans, façades and building services can all affect the result. The structural engineer and services team need to assess the consequences of the options together. A different frame may change foundation loads, floor depths, façade quantities and servicing routes. Any claimed saving should reflect those consequences across the building; choosing a lower-carbon material alone does not establish the saving.

Test the consequences across the building

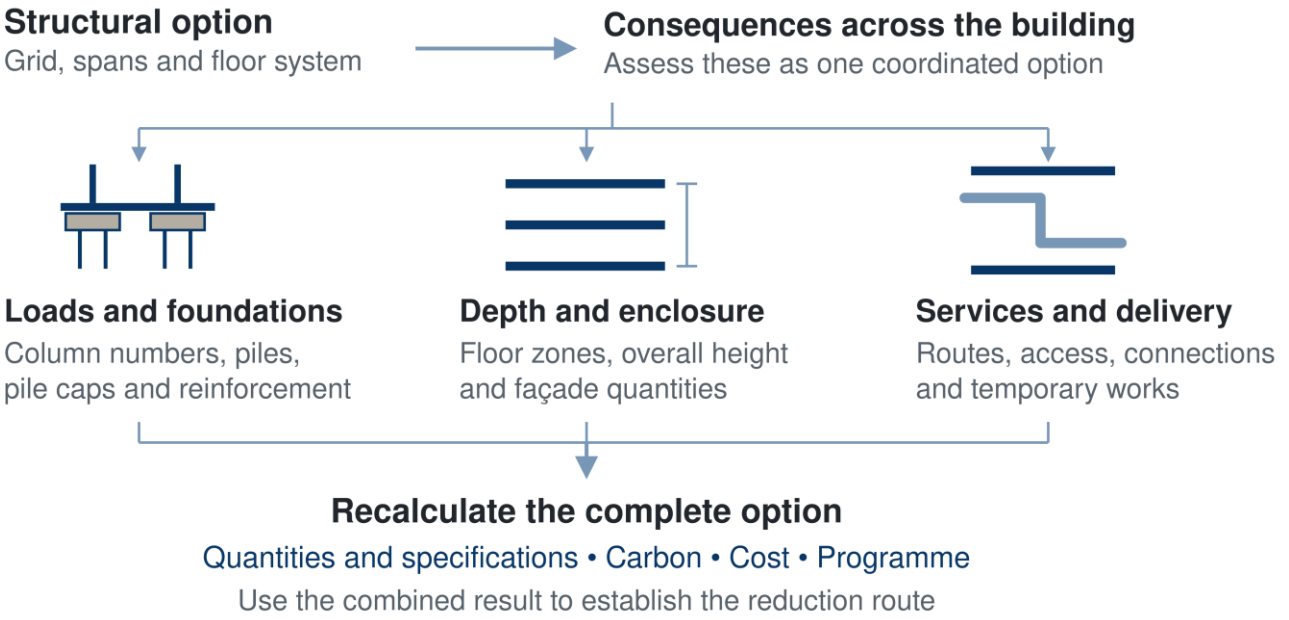

Figure 4 Relationships to assess when comparing structural options. The diagram identifies potential consequences; it does not assign carbon savings.

Where the baseline is exceeded, the developer needs to see the size of the gap, the measures capable of closing it and their cost and programme implications. Paragraph 5.35 recognises challenges for important economic uses within Class E on highly constrained sites. Applicants should demonstrate carbon minimisation and justify any shortfall; acceptance is not automatic. Uses without a listed target still need reduction and reporting against relevant benchmarks. [2]

The assessment method also matters. Current GLA guidance and benchmarks use RICS first edition with GLA adjustments; the draft target evidence uses second edition. Class E evidence is based on shell and core plus Category A office fit-out. Confirm the method, fit-out scope, demolition, external works and floor area before comparing results. A second-edition calculation alone does not meet

today’s GLA submission requirements. The planning case needs a reduction route that design and procurement can deliver. [7, 10]

Circular economy and materials

Circular economy requirements concern how much of the existing asset can remain in use, how efficiently new materials are used and what happens to them later. SI7 and current guidance already address this. GLE11 retains statements at planning and completion for referable schemes, which should commit and provide evidence to meet or exceed the strategic targets below. Other proposals use the targets as benchmarks for a proportionate response, alongside wider justification. [3, 8, 13]

Measure	Draft benchmark
Demolition waste	At least 95% reuse, recycling or recovery
Excavation material	At least 95% beneficial reuse
Construction waste	At least 95% reuse, recycling or recovery
Reused or recycled content	At least 20% by value across the development

The construction and demolition targets include recycling and recovery, rather than requiring 95% direct reuse. Excavation has a separate beneficial-reuse target. Concrete crushed for an appropriate recycling use can contribute to recovery, but that outcome is different from retaining the structure. The proposal still needs to explain the opportunities for retention and higher-value reuse. [3]

The 20% measure concerns material value, not total development cost. Current guidance says applicants should aim for at least 20%; the draft places it in the strategic target table. Calculate it using material quantities, costs and reused or recycled content. The consultant and cost consultant should establish the calculation together, with a clear scope that can be updated as products are selected. A recycled-content result also does not establish the carbon performance of those products. [13]

The audits answer different questions

The pre-redevelopment audit informs whether buildings should be retained, adapted or replaced. The pre-demolition audit identifies the materials that can be recovered once demolition is proposed. Commissioning both after the demolition approach has been agreed loses much of their value. The findings need to inform the programme and demolition tender, including what must be removed carefully and where it will go. [2, 3]

Commission the audits at the right decision points

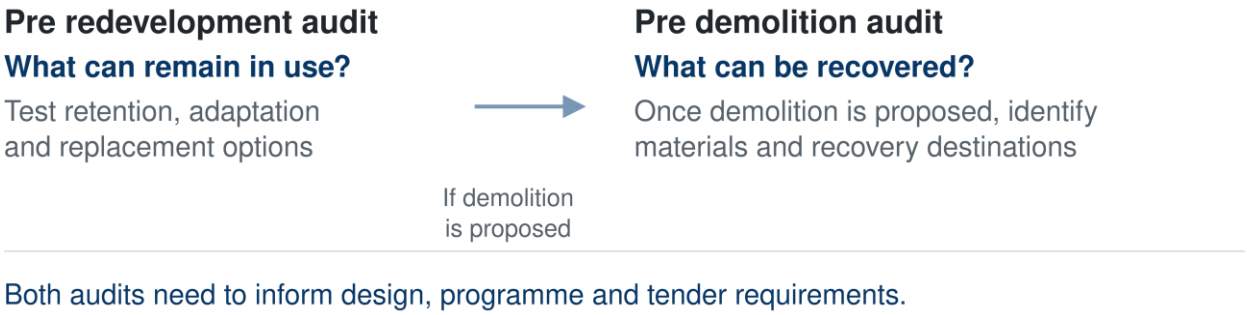

Figure 5 The two audits answer different questions and should inform the design and demolition tender. [2, 3]

The practical limitations are in delivery

Reuse depends on material condition, testing, warranties, storage and a suitable destination being available at the right time. These constraints should be investigated before a commitment is made. Where direct reuse is impractical, the report should explain the alternative route and its implications. Excavated material needs a beneficial use that is suitable and lawful; identifying a recipient without establishing those conditions is insufficient.

For the new building, adaptability needs to be visible in the design. Accessible services, replaceable components and connections that allow future disassembly can support later refurbishment. The contractor's scope should identify the material and waste records needed to demonstrate delivery. Operational refuse, recycling and food-waste storage also need to work within the layout and servicing strategy. These are separate from the construction recovery percentages. [3]

The developer should allow for the completion assessment in the appointment and contract. The original targets need to be checked against actual purchases and waste movements. Evidence is much easier to collect during the works than reconstruct at handover. [8]

Overheating water and site constraints

Comfort, water management and green infrastructure also affect the site layout. They compete for space with accommodation, plant and servicing and need resolving together. [2, 4]

Overheating can affect the accommodation strategy

GHR4 requires dynamic overheating modelling, using CIBSE TM59 for domestic and TM52 for non-domestic development, with TM49 guidance and weather datasets for future conditions. It also seeks the Good Homes Alliance early-stage overheating checklist for residential applications. Test glazing, shading and ventilation against realistic use, and address heat risk in public and communal spaces. [2, 5]

Window-opening assumptions must account for noise, air quality and security. Active cooling is permitted after passive measures are prioritised. If modelling shows no need but cooling is proposed, all feasible passive measures must still be demonstrated. Cooling energy and heat rejection affect EUI and neighbours. Part O compliance alone does not demonstrate planning compliance. [2]

Coordinate the overheating response

Model domestic development with TM59 and non domestic development with TM52. [2]

Figure 6 Design considerations to test together. Cooling energy and heat rejection also affect the wider scheme. [2]

Water and drainage need an achievable design

Topic	Draft benchmark and scope
Residential mains water	105 litres/person/day internally, plus up to 5 litres externally
Non-residential water	BREEAM Excellent standard for Wat 01, or equivalent
Urban Greening Factor	Major development by predominant use: residential 0.4; commercial 0.3; industrial 0.2
Surface water runoff	Referable schemes should aim for greenfield Qbar or 3 litres/second/hectare, whichever is higher

The water benchmarks broadly continue SI5. Wat 01 concerns water efficiency, not an overall BREEAM Excellent rating. MBUL4 specifies a Part G fittings approach and permits locally varied standards supported by a sub-regional Integrated Water Management Strategy. Confirm supply capacity and the practicality of reuse systems. [4, 5]

GHR5 expects all proposals to avoid increased runoff and include some capture, reuse and attenuation. Referable schemes should aim for the stated benchmark, prioritising on-site measures. Justified off-site contributions may reflect density, context, viability or strategic benefits, using the GLA reference rate or an agreed local rate. Establish delivery and maintenance; wider flood-risk and capacity issues still need resolving. [2, 5]

Greening does not settle every landscape requirement

The Urban Greening Factor measures weighted surface cover. It is separate from biodiversity gain and accessible green space. Trees need sufficient soil and room to mature; green roofs need to accommodate access, plant and solar panels. GHR8 also addresses demand for accessible green space, including from daytime populations. A private terrace does not automatically meet that need. [2]

National biodiversity net gain generally requires at least 10%, subject to exemptions; significant on-site gains and off-site gains need at least 30 years' maintenance. From 6 August 2026, the exemptions include red-line sites of 0.2 hectares or less unless on-site priority habitat is impacted. Confirm eligibility, any higher local target and gain-plan approval before commencement. Other ecology duties remain. [11, 12]

Draft Urban Greening Factor benchmarks

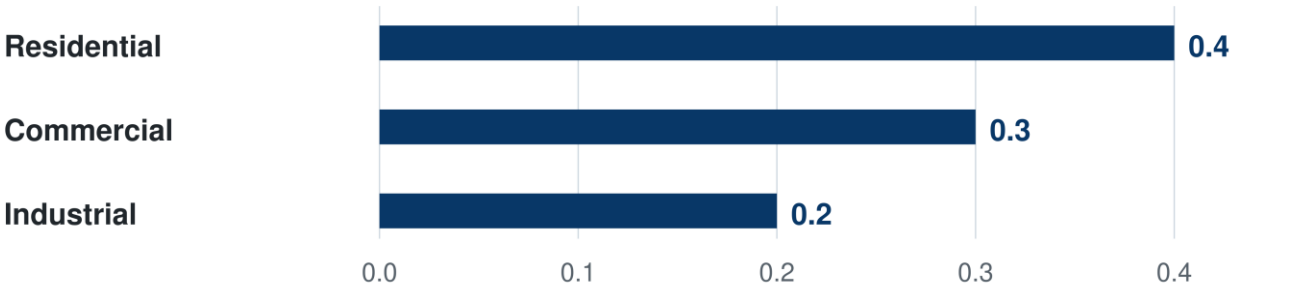

Figure 7 Major development by predominant use. UGF is a weighted surface cover score; it is separate from biodiversity net gain and accessible green space. [2]

How to approach a live development

At feasibility, the developer needs a view of the constraints that could change the development brief. This includes the potential for retention, likely energy demand, the carbon implications of the main structural options and the space needed for utilities, drainage and landscape. The assessment should identify which issues can be resolved through specification and which may require changes to massing, accommodation or servicing.

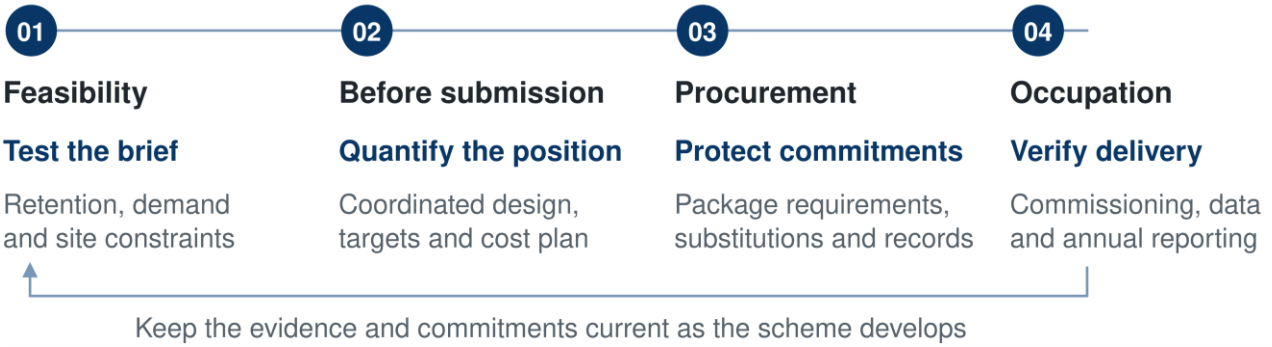

Figure 8 Decisions and evidence to maintain from feasibility through procurement and occupation.

The position before submission

The planning and sustainability teams should provide a coordinated account of the applicable policy, the predicted performance and any remaining gap. The developer needs to understand how each proposed improvement will be achieved and whether it has been allowed for in the design and cost plan. Statements that the contractor will resolve the issue later are weak where the solution depends on a different building form or structural arrangement.

A planning assessment does not require every product to have been selected. Quantities and specifications will develop, and reasonable assumptions can be refined. Those assumptions need to be visible, with enough allowance for change to avoid a marginal result becoming a compliance problem. For outline schemes, the proposed parameters should be tested to establish that a workable route remains available as the design develops.

Where a target cannot be met, the options and the reason for the shortfall need to be discussed with the authority early. The Class E carbon provision and the drainage provisions offer specific routes for justification. They do not establish general discretion to disregard other targets. If the policy provides no suitable flexibility and the gap cannot be closed, the development brief may need to change. [2]

Procurement and occupation

The requirements need to pass into the drawings, specification and contract. Carbon and material commitments should be allocated to the relevant packages, with substitutions reviewed for their effect on the overall result. Commissioning, completion assessments and the information needed from suppliers should be included in the appointments and programme. Otherwise, a compliant planning proposal can become difficult to evidence at handover.

For major development, the draft retains at least five years of annual energy reporting to the GLA after occupation. Metering, data access and responsibility for reporting need to be agreed before occupation, particularly where landlord and tenant energy are separately managed. A sale, letting or management transfer needs to preserve the arrangements required to discharge those commitments. [2]

Other requirements and the development appraisal

GHR10 seeks at least Air Quality Neutral performance where proposals could have operational air-quality impacts, and assessments for major schemes in areas of concern. Construction dust and machinery emissions also need addressing. GLE3 expects all data-centre proposals to demonstrate heat-recovery infrastructure informed by a waste heat utilisation plan. Cycle and car parking and waste servicing remain relevant. Define any BREEAM, WELL, NABERS or net zero certification brief alongside planning requirements; certification does not establish London Plan compliance. [2, 3]

The cost plan should distinguish the work needed to establish compliance from the cost of delivering the agreed solution. Retention investigations, modelling and options studies may need bringing forward. Plant space, material choices, commissioning and ongoing reporting can affect the asset's economics. Any benefit from reduced energy use or removal of an offset contribution should be assessed on the same basis, without assuming it will cover additional capital costs.

Policy references and further guidance

Policy position checked on 10 September 2026 against the published online draft, including the September corrections. The 2026 requirements remain consultation proposals. References distinguish draft policy, adopted policy and assessment guidance.

[1] GLA draft London Plan consultation Publication, consultation and anticipated adoption timetable. The linked resources contain the July draft and subsequent corrections.

[2] Draft Chapter 5 Greener healthier and resilient development GHR1–GHR11, including the energy and carbon targets. Paragraphs 5.21, 5.25 and 5.35 address offsetting, heat appraisal and constrained Class E schemes.

[3] Draft Chapter 4 Economic development GLE11 and Table 4.2 cover circular economy and material targets. GLE3 includes specific requirements for data centres.

[4] Draft Chapter 2 Making best use of land MBUL4 covers water efficiency and infrastructure.

[5] London Plan 2021 Chapter 9 Sustainable infrastructure Adopted SI2, SI3, SI4, SI5, SI7 and SI13 provide the basis for the comparison in this note.

[6] GLA Energy Planning Guidance Current energy assessment, reporting and offset guidance. Borough requirements should also be checked.

[7] GLA Whole Life Cycle Carbon Assessments Guidance Current first-edition method with GLA adjustments, Appendix 2 benchmarks, reporting tools and completion assessment requirements.

[8] GLA Circular Economy Statement Guidance Current statement, spreadsheet and completion reporting requirements.

[9] Operational energy evidence for the new London Plan Explains EUI, assessment areas and renewable generation. Options considered in the evidence are not automatically policy requirements.

[10] Embodied carbon evidence for the new London Plan Explains the upfront carbon target evidence, assessment scope and RICS second edition methodology.

[11] GOV UK Understanding biodiversity net gain National requirements, gain plans and the duration of habitat obligations.

[12] GOV UK Biodiversity net gain exempt developments Current exemptions, including the provisions updated on 6 August 2026.

[13] Circular Economy Statements guidance published in March 2022 Sections 3.1, 4.7 and 4.9 cover completion reporting, the aim for at least 20% content by value and the existing 95% waste targets.

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