



compliance
testing
consulting

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Zero Carbon Homes Offset Payments

Dear Cormac,

As detailed in the attached *Energy and Sustainability Statement*, the proposed development is subject to a Zero Carbon Homes Offset Payment under changes introduced by the Greater London Authority in October 2016. We would like to take this opportunity to explain how the fee is calculated and what we believe it is likely to amount to.

It is now a requirement that any major development of new build housing within London is Zero Carbon. Where this is not feasible, a payment is required for the emissions which remain. Funds raised are to be allocated by the local authority to carbon reduction schemes elsewhere. In this way, the goal of creating homes with a net zero impact on carbon emissions within the borough is achieved.

Annual new build domestic emissions (tonnes):	12.26
Cumulative emissions over a thirty-year period (tonnes):	367.79
Assumed price per tonne:	£90
Estimated off-set payment:	$367.79 \times £90 = £33,101.52$

How Zero Carbon Homes Offset Payments are Calculated.

The method for calculating the fee is shown above. Annual new build domestic emissions refer to the amount of carbon in tonnes produced by the proposed new homes in one year, after the reduction measures within our *Energy and Sustainability Statement* have been applied. This in turn is multiplied by a set payback period of thirty years.

The assumed price per tonne is to be set by the local authority, and so may vary. The Mayor's Housing Standard's Viability Assessment assumed a carbon off-set price of £60 per tonne. Although most boroughs opt to choose this price when calculating payments, several have chosen their own figures. Camden has set their off-set price of £90 per tonne.

Under some circumstances, it may be possible to propose your own off site solutions as an alternative to the local authority fund. The Greater London Authority provides the example of donating solar panels to a local school sufficient to reduce emissions by the amount shown above. If this is something that we can assist you with then please contact us using the details above.

Yours sincerely,

Sean Mills
Sustainability Consultant

