Statement of Common Ground between London Borough of Merton and Clarion Housing Group

On draft policy CC2.2 Minimising Greenhouse Gas Emissions

This Statement of Common Ground follows attendance from both parties at Merton's Local Plan Stage 1 Examination Hearings on Matter 3 'Climate Change' on 14th June 2022 where Clarion requested clarification regarding offsite carbon offset projects as set out in policy CC2.2e(ii) and its supporting text. The Inspectors requested a Statement of Common Ground once this wording had been reviewed and agreed between both parties.

The page and paragraph numbers within this document are based on <u>Submitted</u> <u>Document 0D1 Merton's Local Plan Stage 3 Regulation 19 July 2021</u>.

Clarion Housing Group and Merton Council are committed to maximising carbon savings on site towards the Mayor's net zero carbon target, and ensuring low carbon development in line with our national and local carbon reduction commitments of operating at net zero carbon by 2050.

Both parties agree to recommend the following proposed main modifications (MM2.2c) to the Planning Inspectors.

Proposed Modifications:

MAIN MODIFICATION MM2.2c

p. 43 (0D1)

Amend Policy CC2.2 e(ii)

off-site provided that an alternative proposal <u>which offers Additionality*</u> is identified, delivery is certain and subject to agreement with the council.

*NEW FOOTNOTE: See Glossary for definition of Additionality

Reason: To improve clarity and general conformity with the London Plan in response to Inspectors' action arising from Stage 1 Hearings.

MAIN MODIFICATION MM2.2c

p. 44 (0D1)

Amend Policy CC2.2 supporting text 2.2.5

This means that any carbon shortfall[®] will need to be offset via <u>offsite projects which offer</u> <u>Additionality</u> renewable energy generation offsite or via cash-in-lieu contributions.

Reason: To improve clarity and general conformity with the London Plan in response to Inspectors' action arising from Stage 1 Hearings.

MAIN MODIFICATION MM2.2c

p. 47 (0D1)

Amend Policy CC2.2 supporting text 2.2.13

For new build development, offsetting any carbon shortfall via cash-in-lieu contributions or via offsite renewable energy generation projects will only be considered where the council is satisfied that on-site savings have been maximised. Proposals for off-site projects should have carbon equivalence to the carbon shortfall on-site. Off-site projects should offer Additionality, and monitoring and verification measures would be expected.

Reason: To improve clarity and general conformity with the London Plan in response to Inspectors' action arising from Stage 1 Hearings.

MAIN MODIFICATION MM2.2C

p.636 (0D1)

New glossary term for Additionality (after Accessibility)

Additionality

Additionality is the principle that offsite carbon offset projects should involve projects that: would not have occurred without the offset funding; would not have occurred under a business-as-usual scenario; could not reasonably be expected to be undertaken as part of a developer's planning application; and are not required to meet national legislation. To demonstrate this, the Applicant will be expected to provide evidence, such as:

- <u>A business case showing that the work could not have happened as part of their existing decarbonisation plans/ regular maintenance without utilising the offset payment instead of paying it to the council; and ______</u>
- Evidence showing that the asset is not eligible for any other form of funding from national government, Mayoral programmes, etc. If the asset is eligible then the offset payment could only be used in addition to existing funding streams if it was demonstrated that it will deliver additional improvements.

Reason: To improve clarity and general conformity with the London Plan in response to Inspectors' action arising from Stage 1 Hearings.

Signatories

Both parties agree that this statement is an accurate representation of matters discussed and issues agreed upon.

Signed for London Borough of Merton by:

Name - Tara Butler

Job Title – Deputy Manager, Future Merton

Signature - TButh

Date – 21 September 2022

Signed for Clarion Housing Group by:

Name – Daniela Adamo

Job Title – Senior Development Manager

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Signature –

Date – 13 September 2022