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# Milton Keynes Carbon Offset Fund

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# Milton Keynes, where is it?

## **Milton Keynes: 'MK'**

- **60km North of London**
- **A 'new' city, started in 1967**
- **265,000 inhabitants**
- **Growing at 2-3% p.a**
- **Not a typical UK City!**



# City History – track record of innovation

- First citywide kerbside household recycling scheme
- Since the start, new and innovative building techniques and standards
- First UK solar powered house (1972)
- Energy efficient housing demonstration builds
- Home of the National Energy Foundation (UK)

AND

- the first UK council (2005) to introduce a planning policy that requires all new housing development to be carbon neutral .

# Policy documents and strategies



**Current target to be a net carbon neutral city by 2030,  
replaces target of net neutral by 2050!**

# Genesis of the Carbon Offset Fund (COF)

**Long, long ago, at an Energy Cities annual conference (Verona) there was a presentation from Malmo about creating a zero carbon development of a docks area. The builders were being asked to create a zero carbon development as part of their planning consent...**

Skip forward 4 years and Milton Keynes had taken this idea and developed the concept into a formal planning requirement of all new development in MK using existing planning legislation and legal powers, but in a new and (nationally) unexpected way.

**“All new developments to be carbon neutral in operation” - MK Council Planning Policy, section D4, adopted by council 2005.**

## What was MK planning policy D4 in 2005?

Key requirements for all new housing and commercial developments over 1000SqM to demonstrate:

- energy efficient design
- at least 10% renewables
- water conservation measures
- low impact building materials
- waste reduction
- **carbon neutrality**

# Why a Carbon Offset Fund?

Building developers were (are) very sceptical that carbon neutrality could be achieved and section D4 makes an allowance for this – Carbon Offsetting, but only locally, within the city of Milton Keynes.

## **The simplified process:**

- The developer must comply with policy D4, but if they cannot deliver carbon neutrality they must pay a set fee per tonne of carbon emission into a local Carbon Offset managed by the council.
- The council uses the money to carry out carbon reduction projects in Milton Keynes equal to the assessed carbon emissions.

# How the Carbon Offset Fund (COF) works

During planning process, the developer submits their proposal and must demonstrate D4 compliance, or evidence that shows how much Carbon their development will emit. A payment is agreed based on the COF tariff. When the work is complete, a payment is made to the council and ring-fenced in the COF.

Payments into the COF vary according to economic conditions, but can be as much as €3-400,000 per year.

This is then spent by the council on a wide variety of carbon saving initiatives within the city area to match the emissions of the new developments.



# What has been done with the COF?

- Provide free home insulation measures (roof & wall cavities) to all MK householders.
- Grants to help to upgrade heating boilers.
- Free energy efficient lightbulbs to householders.
- Free energy advice via a helpline and website
- Financial assistance for more ambitious energy refurbishment in social housing.
- Streetlighting upgrades
- Rooftop Photovoltaic installations on public buildings

# So far so good – what now?

## Not so good news...

- Many of the cheap and easy carbon savings have been made.
- The cost to save a tonne of Carbon has become more expensive.
- The originally proposed increases to the carbon tariff have not been made.
- The fund has stagnated – no spend in the last two years, but the fund is growing.

# So far so good – what now?

## The good news...

- Management of the fund is being reviewed and the carbon savings requirements may be relaxed to bring more projects into scope.
- The new planning documents have retained the COF requirements and developers are seriously looking to meet the requirements – this was the original ambition!
- The issue of Carbon Neutrality for the whole city is on the political agenda.



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## Thank you!

<https://www.youtube.com/watch?v=0HuSx3z0E6g>  
Many songs – one tune. Whatever works for you

Questions welcome

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