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# ***Green Energy (Definition and Promotion) Bill***

**Bill 15 of 2008-09**

This briefing on the *Green Energy (Definition and Promotion) Bill* has been prepared for the Second Reading debate on the Bill in the House of Commons. This is a Private Member's Bill introduced by Peter Ainsworth MP who drew seventh place in the 2008-09 ballot for Private Members' Bills.

The Bill seeks to define and promote "green energy". It aims to facilitate the development of green energy by: requiring a review and revision of the Government's Microgeneration Strategy including feed-in tariffs; changing permitted development rights in planning law; and ensuring that green energy installations do not result in higher council tax or rates bills.

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## Summary of main points

The *Green Energy (Definition and Promotion) Bill* is a Private Member's Bill introduced by Peter Ainsworth MP who drew seventh place in the 2008-09 ballot for Private Members' Bills.

The Bill seeks to define and promote "green energy". The Bill aims to facilitate the development of green energy by: requiring a review and revision of the Government's Microgeneration Strategy including feed-in tariffs; changing permitted development rights in planning law; and ensuring that green energy installations do not result in higher council tax or rates bills.

The Government's principal means of bolstering renewable energy is the Renewables Obligation (RO). This has increased the percentage of electricity generated from renewables in the UK, but by a far smaller amount than in other countries where feed-in tariffs operate. The RO is a market driven mechanism which was chosen to suit large-scale renewable generators in the liberalised UK energy market, but it is considered to be bureaucratic and administratively complex which is off-putting for microgenerators. By contrast, feed-in tariffs are simpler to operate for microgenerators which are small-scale and often domestic. The Government introduced enabling measures for feed-in tariffs for microgenerators up to 5 megawatts capacity in the *Energy Act 2008* to operate in tandem with the RO. A feed-in tariff mechanism is under development. The Bill seeks to facilitate the introduction of feed-in tariffs through changes to the Microgeneration Strategy for green energy up to 10 megawatts capacity.

At present, anyone wanting to install a domestic wind turbine or air source heat pump must submit a planning application that may be refused. Some categories of development are covered by permitted development rights (PDRs) so that a planning application is not required. The Government has been considering for at least two years how to extend PDRs to cover domestic wind turbines and air source heat pumps. The Bill would require a review of permitted developments rights for agricultural, non-domestic and domestic properties to allow specified microgeneration installations to be covered under PDRs thus removing this obstacle to their installation.

Improvements to property by the addition of microgenerators or energy efficiency measures have the potential to increase council tax for domestic properties or rateable value for non-domestic properties under current legislation. To remove any disincentive to their installation the Bill seeks specifically to exclude them.



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## I Introduction

The *Green Energy (Definition and Promotion) Bill* (Bill 15 2008-09) is a Private Member's Bill introduced by Peter Ainsworth MP, who drew seventh place in the 2008-09 ballot for Private Members' Bills. The Bill will have its Second Reading on 8 May 2009.

The Bill seeks to define and promote "green energy". It aims to facilitate the development of green energy by: requiring a review and revision of the Government's Microgeneration Strategy including feed-in tariffs; changing permitted development rights in planning law; and ensuring that green energy installations do not result in higher council tax or rates bills.

The Bill extends to England only.

EDM 1010 sponsored by Peter Ainsworth MP in support of the Bill had 202 signatories on 5 May 2009.<sup>1</sup>

## II Microgeneration

**Clause 1** defines specific terms used in the Bill. These include "small-scale low-carbon local sources" which is defined as renewable sources of 10 megawatts<sup>2</sup> maximum capacity where the energy is used within a 30 mile radius of the generator. This is double the maximum capacity proposed for feed-in tariffs specified in the *Energy Act 2008* (see clause 3 of the Bill and section IIB of this paper).

**Clause 2** of the Bill defines "green energy" as energy generated from renewable or small-scale low-carbon local sources and energy efficiency measures. Functions under the Act must be performed with regard to promoting green energy, alleviating fuel poverty<sup>3</sup> and ensuring energy security.

**Clause 3** requires the Secretary of State, within 12 months of the commencement of the Act, to review the Government's Microgeneration Strategy<sup>4</sup> and publish a revised strategy after consultation with producers, suppliers and other stakeholders if he thinks their comments make it necessary. The strategy must include measures to increase the number of microgenerators in existing buildings, financial measures to ensure the promotion of green energy, and measures to promote the introduction of feed-in tariffs and a renewable heat incentive<sup>5</sup> for microgenerators as established in the *Energy Act 2008*.

Microgeneration can play a significant role in reducing energy bills, cutting carbon emissions and in some cases alleviating fuel poverty. About a quarter of carbon dioxide

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<sup>1</sup> [EDM 1010: Green Energy Bill](#)

<sup>2</sup> 1 megawatt (MW) = 1000 kilowatt (kW)

<sup>3</sup> A household is defined as in fuel poverty if it needs to spend more than 10% of its income on fuel.

<sup>4</sup> [Microgeneration Strategy](#), DTI, March 2006

<sup>5</sup> A renewable heat incentive to support renewable heat generation is a similar mechanism for renewable heat generation that feed-in tariffs would create for electricity (see section IIB).

generation in the UK comes from the residential sector, and greater uptake of microgeneration and energy efficiency would help to reduce this.

## **A. The Renewables Obligation**

The Renewables Obligation (RO) is the principal method of rewarding and bolstering renewable electricity generation in the UK and will operate in tandem with a feed-in tariff mechanism for microgenerators that is being developed by the Government.

The RO obliges licensed electricity suppliers in England and Wales to supply a specified and growing proportion of their supplies from eligible renewable energy or face a financial penalty subject to the price to customers being acceptable. The supplier has a choice. It could buy renewable electricity from a renewable generator at a cost-effective price and present the necessary renewable obligation certificates (ROCs) to the regulator, Ofgem, to the value of its target. Alternatively, if it fell short, it could purchase ROCs from other suppliers who have exceeded theirs, or pay Ofgem to 'buy-out' the unmet obligation. Receipts of the buy-out fund are redistributed to holders of ROCs.

The Government chose the RO system as it is a market-driven mechanism that chimes with the liberalised approach to energy policy in the UK. It was designed to encourage larger generators of renewable energy and has been criticised as a rather bureaucratic and administratively expensive process that is off-putting for microgenerators.<sup>6</sup>

## **B. Feed-in tariffs**

Since the RO was introduced in 2002 it has increased renewable electricity generation in the UK, but this was still only about 5% of the total electricity generated in 2007 (the latest for which figures are available).

The UK has a target of 10% of its *electricity* to come from renewable sources by 2010. This is generally considered to be very demanding. In addition, the UK has an 'aspiration' (not a target) to source 20% of its *electricity* from renewables by 2020.

The UK's target and aspiration have been overtaken by its agreement to the EU target to source 20% of overall EU *energy* from renewables by 2020. The target assigned to the UK to help meet this is 15% of the country's *energy* needs to come from renewables by 2020. Obviously, a target that refers to all energy is more demanding than one that refers only to electricity. It is estimated that in the UK about 35% of electricity will have to be sourced from renewables by 2020 to meet the EU target as other forms of energy (e.g. for transport) are not going to be able to increase their renewable proportion sufficiently.

Consideration of feed-in tariffs was prompted by the realisation that microgeneration could make a substantial contribution to the proportion of electricity generated from renewable sources. Feed-in tariffs are simpler to operate than the RO and more suitable

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<sup>6</sup> HC Deb 21 March 2007 cc914-5

to incentivise households, businesses, and community groups to generate low-carbon electricity from microgenerators.

Typically, feed-in tariffs make a fixed payment to the generator for each kilowatt hour of electricity generated from an eligible small-scale low-carbon source. Alternatively, a payment could be made upfront for the electricity 'deemed' to have been generated. This would encourage potential generators to make the necessary initial capital investment in generating equipment because they would have increased certainty of the payback from their investment.

The Environment Food and Rural Affairs Committee stated that:

Feed-in tariffs for household microgeneration of renewable energy should be available. The existing combination of grants and Renewable Obligation Certificates is far too unreliable and unwieldy for domestic and community microgeneration, and risks losing citizen engagement. Both Germany and Denmark have already met their renewables targets three years early as a result of operating a feed-in tariff system.<sup>7</sup>

In the UK, the percentage of gross electricity consumption generated from renewable sources in 2002 (when the RO was introduced) and in 2007 are 2.9% and 5% respectively, indicating that the RO has led to an increase of about 2%. Comparable figures for Germany are 8.1% and 15.1%, a difference of 7%, which is considered to be largely attributable to feed-in tariffs.<sup>8</sup>

The Trade and Industry Select Committee in its report on local energy<sup>9</sup> found that:

depending on its level, a feed-in tariff could be used to encourage the development of local energy.<sup>10</sup>

The decision to allow a feed-in tariff mechanism for microgenerators to operate in tandem with the RO was taken during the later stages of the passage through Parliament of the *Energy Bill 2007-08*. The lack of provisions in the Bill to allow feed-in tariffs led to tabling of numerous amendments to correct this from Members of each of the main political parties, and much discussion during the passage of the Bill.<sup>11</sup> During the Third Reading in the Lords the Government unexpectedly proposed new enabling clauses giving the Secretary of State power to introduce, at no specified date, a feed-in tariff for microgenerators up to 3MW<sup>12</sup> maximum output.<sup>13</sup> These were passed and form part of the *Energy Act 2008*.

<sup>7</sup> Environment Food and Rural Affairs Committee, [Climate change: the "citizen's agenda"](#), 13 September 2007, HC 88-I, 2006-07

<sup>8</sup> EUROSTAT. These figures come out slightly above any of the (three) UK measures, all of which are given in Table 2 of Library note SN/SG/3217: [Renewable Energy Statistics](#)

<sup>9</sup> Energy generated on-site or near-by.

<sup>10</sup> Trade and Industry Committee: Local Energy - Turning Consumers into Producers, 30 January 2007, HC 257, 2006-07

<sup>11</sup> House of Commons Library RP 08/40, [Energy Bill: Committee Stage Report](#), p9 & 28-32

<sup>12</sup> 1 megawatt (MW) = 1000 kilowatt (kW)

<sup>13</sup> HL Deb 5 November 2008 cc218-72

During the Commons consideration of the Lords' amendments, the ceiling for eligible microgenerators was raised to 5MW.<sup>14</sup>

Some interest groups criticised the feed-in amendments because there was no date specified for bringing in the measure:

Though green campaigners have lobbied for the move, they were "deeply disappointed" with the detail of the amendment, describing it as a "fudge". Friends of the Earth campaigner Ed Matthew said: "This is not the feed-in tariff we were promised; it's a giant legal loophole. The legislation put forward by the government is vaguely worded and gives no certainty to business that [it] will be introduced."<sup>15</sup>

and:

... there is concern that the government has failed to set a timetable for bringing in the measure. An alternative amendment could be tabled, supported by such groups as The British Retail Consortium and the Home Builders Federation.<sup>16</sup>

The Government's reason for not introducing details or setting a timescale in the Act was that it was consulting on the Renewable Energy Strategy (RES)<sup>17</sup> which includes consideration of feed-in tariffs. Lord Hunt of Kings Heath set out the position at the end of the Parliamentary consideration of the Bill on 26 November 2008:

I will try to give as much detail as possible. However, a lot of work needs to be undertaken before I can give definitive answers. Very simply, the Government decided only a few weeks ago to accept the principle of feed-in tariffs. That is why we need to undertake considerable work on this matter. I very much understand the need for action to be taken as quickly as possible and investors' need for certainty. I recognise that we need as quickly as possible to help projects that might be regarded as transitional and to tell them whether they are likely to come under the renewables obligation or the feed-in tariffs and what the transitional arrangements should be.

In the first half of 2009, we are launching our renewable energy strategy. We will then submit our more detailed proposals on feed-in tariffs for small-scale low-carbon electricity and on incentives for renewable heat, which we have also introduced in the Bill. In the light of those decisions, we will be in a position to set out in detail the expected contribution of on-site generation alongside other kinds of electricity and heat generation. I well understand the need for us to give certainty in these matters as quickly as possible.

It is then our intention to consult next summer on the detail of the regime, including proposals for tariff levels. In recognition of the need to make rapid progress towards the 2020 EU renewable targets, we aim to have the feed-in tariff system in place in 2010. Our ideal target is for the scheme to go live in April 2010 so that it can be aligned with the financial year of the renewables obligation.

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<sup>14</sup> HC Deb 18 November 2008 cc135-92

<sup>15</sup> "People-power a step closer in energy bill", *Guardian*, 31 October 2008 p12

<sup>16</sup> "Green power sell-off scheme slated as 'not radical enough'", *Observer*, 2 November 2008, p2

<sup>17</sup> UK Renewable Energy Strategy Consultation, BERR, June 2008

We well understand that investors and all those with an interest need speed and certainty, but delivering a fully operational scheme in a little over 16 months is a considerable challenge. We will do everything that we can to meet the target, but it is clearly important that we get the details right as well.<sup>18</sup>

The Business and Enterprise Committee welcomed the introduction of feed-in tariffs in its report on energy policy:

The creation of the Department of Energy and Climate Change has brought about new policy initiatives on feed-in tariffs... which this Committee has advocated for some time. We welcome these developments. It will now fall to the new Energy and Climate Change Committee to scrutinise the finer detail of how the Department puts these policies into practice.<sup>19</sup>

### III Permitted development rights

*The Town and Country Planning Act 1990* s.55 contains a broad definition of development, and planning consent is required for development. However, many categories of development are covered by permitted development rights, so that express planning consent – with a planning application - is not required. These rights are contained in the *General Permitted Development Order 1995* SI418, as amended.

**Clause 4** of the *Green Energy (Definition and Promotion) Bill* would require the Secretary of State to review permitted development rights for agricultural land and use the information:

to facilitate development in England consisting of the installation:

- (a) on agricultural land or within the curtilage of an agricultural building, and
- (b) within the curtilage of non-domestic premises,

of equipment, apparatus or appliances for microgeneration.

In addition, **clause 5** would require the Secretary of State within three months to grant permitted development rights for domestic wind turbines and air source heat pumps. The schedule describes the circumstances and conditions in which domestic microgeneration equipment could be approved under permitted development rights.

Government policy is generally sympathetic to both objectives but both these areas have been under consideration since 2007. The Bill might speed up the decision.

The Government has been working towards updating permitted development rights for several years. A major problem with the planning system in recent years has been the increase in the number of planning applications. This has resulted in considerable delays in both determining the application and in appeals to the Secretary of State. As a consequence the Government has tried to increase the scope of permitted development

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<sup>18</sup> HL Deb 26 November 2008 cc1452-3

<sup>19</sup> Business and Enterprise Committee, *Energy policy: future challenges*, 12 December 2008, HC 32 2008-09

rights. The 2007 Planning White Paper included several Government proposals to change the town and country planning system, including to:

review and where possible extend permitted development rights on microgeneration to non residential types of land use including commercial and agricultural development.<sup>20</sup>

In October 2008, the Government made several changes to permitted development rights for domestic houses, with the aim of reducing the number of extensions and alterations requiring a planning application.<sup>21</sup>

The Government commissioned the Killian Pretty Review of planning applications (2008), which proposed an extension of non-domestic permitted development rights, so as to reduce the number of planning applications by 15,000 a year. Their examples did not include agricultural permitted development rights, but there is no obvious reason why their arguments would not apply to them.<sup>22</sup> On 5 March 2009, the Government responded to the Killian Pretty Review.<sup>23</sup>

We propose a phased approach to reform, with immediate priority given to consulting on detailed proposals to extend permitted development rights for businesses and public services and to streamline information requirements for applicants.<sup>24</sup>

The Government's position on permitted development rights for non-domestic properties was explained in February 2009:

**Mr. Khan:** The Government are currently considering the scope for the introduction of permitted development rights for the installation of microgeneration units on non-domestic buildings. We aim to consult on the proposals in the summer.<sup>25</sup>

## A. Agricultural permitted development rights

Agricultural permitted development rights allow a considerable amount of development, subject to conditions. This is the core right:

A The carrying out on agricultural land comprised in an agricultural unit of 5 hectares or more in area of—

- (a) works for the erection, extension or alteration of a building; or
- (b) any excavation or engineering operations,

which are reasonably necessary for the purposes of agriculture within that unit.

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<sup>20</sup> HM Government, [Planning for a Sustainable Future](#), 2007 p25

<sup>21</sup> [The Town and Country Planning \(General Permitted Development\) \(Amendment\) \(No. 2\) \(England\) Order 2008](#) (SI 2362)

<sup>22</sup> DCLG, [The Killian Pretty Review](#), November 2008

<sup>23</sup> DCLG and BERR, [Government Response to the Killian Pretty Review](#), March 2009

<sup>24</sup> HC Deb 5 March 2009 cc62-3WS

<sup>25</sup> HC Deb 23 February 2009 c118W

Conditions prevent, for example, the building of a unit housing livestock within 400 metres of a dwelling house or development with 25 metres of a road, without express planning consent. Slightly reduced rights apply on smaller units.

However, those permitted development rights would not cover, for example, a wind turbine used to provide electricity for a farm. It is that sort of wind turbine that would be covered by the Bill, not a wind farm designed primarily to supply the national grid, which would still require planning consent.

This Bill is supported by the National Farmers Union and the Country Land and Business Association. Both organisations have been concerned at the greenhouse gas emissions of the agricultural sector and have looked for ways that the sector could both reduce its own emissions and also help the land to store carbon. They jointly produced a report (with the Agricultural Industries Confederation) to recommend action to help bring this about. Some actions are recommended for the sector and some for the Government.<sup>26</sup>

## B. Domestic permitted development rights

Permitted development rights for microgeneration in the curtilage of a dwellinghouse,<sup>27</sup> in schedule 2 part 1 of *General Permitted Development Order 1995/418*, were increased in 2008, to cover six categories, subject to conditions on size and nearness to the boundary:

- A. The installation, alteration or replacement of solar PV or solar thermal equipment on—
  - (a) a dwellinghouse; or
  - (b) a building situated within the curtilage of a dwellinghouse.
- B. The installation, alteration or replacement of stand alone solar within the curtilage of a dwellinghouse.
- C. The installation, alteration or replacement of a ground source heat pump within the curtilage of a dwellinghouse.
- D. The installation, alteration or replacement of a water source heat pump within the curtilage of a dwellinghouse.
- E. The installation, alteration or replacement of a flue, forming part of a biomass heating system, on a dwellinghouse.
- F. The installation, alteration or replacement of a flue, forming part of a combined heat and power system, on a dwellinghouse.<sup>28</sup>

Those rights do not include wind turbines or air source heat pumps but a press release in March 2008 stated:

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<sup>26</sup> NFU et al, *Part of the Solution: climate change, agriculture and land management*, 2007

<sup>27</sup> The curtilage of a dwellinghouse is the land around the dwellinghouse. It is normally roughly the same as a domestic garden.

<sup>28</sup> *The Town and Country Planning (General Permitted Development) (Amendment) (England) Order 2008* (SI 675)

The Government has made it clear that it will legislate further to allow free-standing and building-mounted wind turbines on detached properties, and air source heat pumps to be installed without needing planning permission, but has to await clearance from the European Commission. We expect to be able to do so later this year.<sup>29</sup>

The reason for delay has been the need for UK Government departments to agree on the appropriate noise limits.<sup>30</sup> When agreement has been reached, it will need to be cleared by the European Commission under the Technical Standards Directive,<sup>31</sup> but the European Commission has not been the reason for the delay. No agreement has yet been reached.

## IV Council tax and non-domestic rates

**Clause 6** seeks to provide that any increase in the value of a domestic property caused by the installation of energy efficiency measures or microgeneration systems will not affect that property's value in terms of liability when assessed for council tax. Similarly an installation of this nature will not affect the value of a non-domestic property when assessed for rates.

### A. Council tax

The Valuation Office Agency (VOA), which is an executive agency of HM Revenue and Customs, has a statutory duty to maintain the council tax and rating lists. Its officers assign valuation bandings to domestic properties for council tax purposes and rateable values to non-domestic properties. The basis of valuation for a domestic dwelling is capital value, that is, the amount for which the property might have been sold on the open market on a particular date (currently 1 April 1991) subject to certain assumptions.

In some respects the measure proposed in clause 6 is akin to the provisions in council tax legislation concerning disabled persons. Regulations made under the *Local Government Finance Act 1992* provide that any fixtures which are designed to make the dwelling suitable for use by a physically-disabled person, and which add to the value of that dwelling, should be disregarded when valuing the dwelling.<sup>32</sup>

It should be noted that improvements to an *existing* property do not have any immediate effect on the council tax banding. Council tax legislation provides for very few opportunities when a banding can be re-assessed, the most common being when the property changes hands. Even then, the improvements would normally have to affect the value significantly and/or the property be close to the top of its valuation band, for there to be any impact on banding. The VOA stated in 2007 that energy efficient measures

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<sup>29</sup> DCLG Press Release, *Solar power homes get the go-ahead for April start*, 13 March 2008

<sup>30</sup> Personal communication, DCLG

<sup>31</sup> [Technical Standards and Regulations Directive 98/34/EC](#). Department for Innovation, Universities and Science webpage [on 5 May 2009]

<sup>32</sup> The *Council Tax (Situation and Valuation of Dwellings) Regulations 1992*, SI 1992/550, regulation 6. See also: [VOA Practice Note 1: Definition of dwelling and basis of valuation for council tax](#), para 4.14

such as double glazing, cavity wall insulation, solar panels or wind turbines were “in isolation, unlikely to have an effect [on banding]”.<sup>33</sup>

Clause 6 seeks to ensure that a householder is not *penalised* for installing green energy measures. It is perhaps worth mentioning the scheme run by British Gas (BG) in conjunction with a number of councils whereby householders are encouraged to install loft and cavity wall insulation in return for a council tax rebate.<sup>34</sup> Although it is called a “rebate”, the funding actually comes from BG and the payments to council taxpayers are administered by the council in question.<sup>35</sup> Further information on how such schemes work can be found in a memorandum submitted by the Energy Saving Trust to the Commons Environmental Audit Committee in November 2005.<sup>36</sup>

Sarah Boyack, a Member of the Scottish Parliament, has published proposals for a Member’s Bill which would introduce a one-off flat rate reduction in council tax for houses that incorporate certificated energy efficiency or micro-generation measures. The proposals also envisage reductions in business rates for companies which introduce similar measures in their premises.<sup>37</sup>

## B. Non-domestic rates

As stated above, the VOA has a statutory duty to value non-domestic property for rating purposes. Normally, the rateable value (RV) of a property represents the annual rent that it could have been let for on the open market on a particular date subject to various assumptions (for example, that it is in a reasonable state of repair). Clause 6 seeks to ensure that any increase in RV resulting from the installation of microgeneration systems should be disregarded.

RVs are reassessed every five years, the last revaluation having come into effect in April 2005 and the next due to come into effect in April 2010. Nevertheless, in principle, any changes to RV arising from improvements to premises take effect immediately. The Government announced the following concession in respect of microgeneration equipment in the 2007 Pre-Budget Report:

The installation of microgeneration equipment in business premises can trigger an increased liability for business rates. Subject to state aid clearance, **the Government will therefore not include microgeneration investments in ad hoc re-assessments of business rates liability from 2008.** Such investments will now only be taken into account at the five-year re-valuation of business rates, providing up to five years worth of benefit to rate payers.<sup>38</sup>

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<sup>33</sup> Valuation Tribunal Service, *Valuation in practice*, Issue 7, August/September 2007 p4

<sup>34</sup> The British Gas website lists 64 councils which have signed up to the scheme. See [Council tax rebate scheme](#) [on 5 May 2009]

<sup>35</sup> See for example, Fareham BC, *Review of home energy conservation strategy: executive briefing paper*, 16 July 2007, p6 (accessible from [Executive Agenda](#), item 7 p2 16 July 2007)

<sup>36</sup> House of Commons Environmental Audit Committee, *Sustainable public procurement*, HC 266 2004-05, [Supplementary Memorandum by the Energy Saving Trust](#), November 2005

<sup>37</sup> [Proposed Energy Efficiency and Micro-Generation \(Scotland\) Bill](#), proposal lodged 14 June 2007

<sup>38</sup> HM Treasury, [Pre-Budget Report and Comprehensive Spending Review](#), October 2007, Chapter 7: para 7.29

This commitment was implemented with effect from 1 October 2008 by means of an amendment to the *Valuation for Rating (Plant and Machinery) (England) Regulations SI 2000/540*.<sup>39</sup> The Government indicated in the explanatory notes to the regulations that it was responding to the concerns of the renewables industry and wished to remove any disincentive to investment in microgeneration technology. It is now the case that where plant and machinery which is assumed to be part of a property has microgeneration capacity, that capacity will not affect its RV, at least until the next general revaluation. The VOA's *Rating manual* explains:

So in the simple example of the affixing of a small wind turbine or solar panel to the roof of a shop or factory on or after 1 October 2008, any value in the P[lant] and M[achinery] is ignored during the current rating list. From 1 April 2010 it will however be rated conventionally. If however the P and M is installed on or after 1 April 2010 then this will be excepted until 1 April 2015. (...)

The regulation only refers to the extent that it has microgeneration capacity. It does not therefore mean the presence of the P and M is ignored if it has some other function e.g. photovoltaic tiles forming a roof or wall covering and having the additional function of keeping the building watertight.<sup>40</sup>

## V Views of stakeholders

The Micropower Council, the umbrella organisation for the UK microgeneration industry, published an official press release in support of the Bill to coincide with its first reading. It included the following expressions of support from three stakeholders:

### **David Gordon, Chief Executive Windsave**

"We are suffering, and investment and jobs are in danger because thousands of installations that could be saving carbon and cutting fuel bills remain bound up in planning red tape. What is most frustrating is that Government is simply ignoring us. A quick resolution of this is essential if the industry is not to suffer irreparable damage."

### **Bill Rumble, Commercial Director, Mark Group and Industry Champion on Skills, Training and Recruitment**

"For feed-in tariffs and renewable heat incentives to work we need a professional and skilled installer base large enough to ensure delivery. The Government needs to introduce tax breaks and other financial assistance for recruiting and training the new generation of home heating and electrical engineers."

### **John Kellett, General Manager, Mitsubishi Electric's Heating Systems Department**

"Our technology (Air Source Heat Pumps) has been proved to be being ideally suited to tackling fuel poverty in off gas locations. But we are blocked by planning restrictions. This is hampering growth and investment."<sup>41</sup>

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<sup>39</sup> SI 2000/540, amended by SI 2008/2332

<sup>40</sup> VOA, *Rating manual*, Vol 4, Section 3, Practice note 8: 2005: The Valuation

<sup>41</sup> Micro Power Press Notice, [Green Energy Bill – power for all](#), 21 January 2009

## VI The Bill

The text of the Bill is available online.<sup>42</sup>

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<sup>42</sup> [Green Energy \[Definition and Promotion\] Bill](#), Parliament website - Bills before Parliament 2008-09 webpage