

Committee(s):	Dated:
Planning and Transportation Committee – for decision	2 nd December 2025
Subject: Review of the Carbon Options Guidance Planning Advice Note	Public report: For decision
This proposal: <ul style="list-style-type: none"> • delivers Corporate Plan 2024-29 outcomes 	Leading sustainable environment
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	n/a
What is the source of Funding?	n/a
Has this Funding Source been agreed with the Chamberlain's Department?	n/a
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Summary

This report provides details of the review of the Carbon Options Guidance Planning Advice Note (COG PAN), adopted in March 2023, and seeks agreement from the Planning and Transportation Committee to adopt the revised COG PAN and the associated Carbon Options Tools spreadsheet.

Feedback from users of the COG PAN and various changes to related tools and policies have triggered a number of minor amendments to the guidance. These include clarifications relating to wider policy alignment, the type of application proposals that should undertake optioneering, the optioneering methodology as well as to further detailed guidance for the third-party review of the Carbon Options Study.

Recommendation

Members are asked to:

- Agree the adoption of the revised Carbon Options Guidance Planning Advice Note Version 02 (Appendix 1) and the Carbon Options Tool Spreadsheet Version 02 (Appendix 2).

Main Report

Background

1. On 7 March 2023, the Planning and Transportation Committee approved the Carbon Options Guidance Planning Advice Note (COG PAN) for adoption. The COG PAN was (and remains) a ground-breaking document, setting out an innovative methodology for estimating and comparing the whole life-cycle carbon emissions of multiple development options for a given site.
2. The underlying methodology of the COG PAN is based on carbon calculation methods and carbon assumptions used at that time to estimate whole life-cycle carbon emissions of a construction proposal. In addition, the 2023 COG PAN lists considerations for best practice outcomes from development and includes guidance for third-party reviewers of Carbon Options Studies.
3. Since the adoption of the COG PAN, there have been a number of changes to policies and regulations, including modifications to the City Plan 2040 and the adoption of the Planning for Sustainability Supplementary Planning Document (SPD), which need to be reflected in the COG PAN as a factual update. Through the practice of the City Corporation's Sustainability Team and taking feedback from sustainability consultants and applicants, some areas where additional clarity would assist the optioneering process have also come to light, which are set out in more detail below.
4. A summary of the changes and the revised COG have been sent to the City Property Association (CPA) as representative of applicants in the City of London; a few clarifications have been suggested and these are reflected where appropriate in the updated COG. This is in line with the City Corporation's Statement of Community Involvement, which states that consultation on PANs will vary according to the nature and content of the PAN. Due to the technical and minor nature of the changes to the COG PAN, public consultation on these changes isn't considered necessary.

Proposed modifications

5. The changes in the individual chapters are summarised below.
6. Chapter 1: Carbon in Planning policy – includes updates relating to the emerging City Plan 2040 and the adoption of the 'Planning for Sustainability

SPD', and sets out how the COG supports these overarching policy and guidance documents.

7. Chapter 2: Whole life-cycle carbon assessments for pre-application optioneering and planning applications – clarifies the COG methodology and building elemental scope required for optioneering studies compared to WLC assessments conducted for major and non-major planning applications in the City of London, and in relation to other methodologies.
8. Chapter 3: Introduction to carbon optioneering – clarifies:
 - which planning application proposals should undertake optioneering. All major application schemes and non-major developments should carry out carbon optioneering if they do not propose to retain at least 50% (by area) of an existing building. The '50% retention value' has been updated from 'mass' (in the COG 2023) to 'by area' (in the COG update). This metric aligns with the Westminster definition of retrofit and is considered a simpler metric to calculate at early stages of concept design.
 - Which planning application proposals could be exempt from optioneering. A retrofit scheme might not be subject to optioneering if it can clearly demonstrate it would ensure the lowest level of intervention needed to achieve a sustainable development. Minimum criteria for exemption include (1) full retention and use of existing substructure, and (2) major reuse of existing superstructure (80% of floor area, or higher). In most cases, optioneering would not produce valuable insights for realistic, lower carbon options on the site.
9. Chapter 6: Carbon optioneering methodology at pre-app stage – various clarifications relate to:
 - minimum information requirements about the existing building
 - scoping of options
 - achieving a consistent approach to the carbon calculations across the options and
 - reporting requirements where there are multiple buildings on a site.
10. Chapter 7: Third-party review – adds a reference to the 'Third-party review governance' document and related spreadsheet 'Third-party review framework' prepared by the consultancy Arup for the City Corporation. This technical framework is designed to improve the standardisation, consistency and transparency of third-party reviews of whole life-cycle carbon assessments. The framework can be used for Carbon Option Study reviews and for planning application reviews. The assessment guidance for reviewers and the actions expected by the applicant team have been added to this chapter.
11. Chapter 8: The consideration of options in the planning application process – provides further context on the relationship between GLA pre-redevelopment Audits and City Corporation Carbon Options Studies. The chapter reiterates

the WLC assessment reporting requirements from application stage onwards, echoing the requirements set out in the Planning for Sustainability SPD.

12. In addition, further guidance is provided in cases where application schemes are 'substantially different' from all assessed options (a definition of 'substantially different' is provided). Applicants submitting planning proposals 'substantially different' from all options presented will be required to produce and submit an addendum to the Carbon Options Study previously submitted to explain and justify deviations.
13. The Carbon Options Tool (excel reporting template for the options) has been updated to reflect the changes in the COG PAN, to provide more helpful contextual detail and clearly defined outputs.

Corporate & Strategic Implications

Strategic implications- The COG PAN supports the delivery of the achievement of a net zero climate resilient Square Mile by 2040, which is a key pillar of the Carbon Action Strategy and the 'leading sustainable environment' aim of the Corporate Plan.

Financial implications- There are no financial implications arising from this report.

Resource implications - There are no further resource implications arising from this report.

Equalities implications- The COG PAN will be published in an accessible format, in line with the requirements for publication of Corporation documents.

Climate implications- The publication of this revised Planning Advice Note will contribute towards meeting the objectives of the Climate Action Strategy and ensure that as relevant applications come forward, the whole life-cycle carbon implications of the development they propose is considered in an up-to-date format as part of the application process.

Legal implications - There are no legal implications arising from this report.

Risk implications - There are no additional new risks arising from this report.

Security implications - There are no security implications arising from this report.

Conclusion

14. Carbon optioneering has been carried out for relevant applications using the methodology of the COG PAN since 2023. The methodology has contributed to providing meaningful information for the development of building proposals and planning applications. Policies, technical insights and methodologies for reporting whole life-cycle carbon emissions have developed and changed

over the years. Valuable feedback from users of the optioneering methodology was evaluated. The COG PAN has been updated to respond to this feedback and clarifications were added so that it remains a robust, clear and practical planning guidance. Adopting this revised document will help to reach our goal of achieving a net zero and climate resilient Square Mile by 2040.

Appendices

- Appendix 1 – Carbon Options Guidance Planning Advice Note (version 2)
- Appendix 2 – Carbon Options Tool

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