English Nature Research Report 672 Using a Planning Gain Supplement for nature conservation purposes

PLEASE NOTE THE FOLLOWING CAVEAT, WHICH SHOULD BE TAKEN INTO ACCOUNT WHEN READING THIS RESEARCH REPORT.

This research is being published AFTER the publication of the Government's response to Kate Barker's recommendation on a Planning Gain Supplement, but was actually carried out in late 2005, i.e. BEFORE the details of how a PGS might operate were available. It therefore does not take account of the Government's response and proposals for a PGS, and is instead based on Entec's assumptions about how a PGS might operate.

(See consultation paper at http://www.hm-treasury.gov.uk/media/F59/D3/pbr05 planninggain 449.pdf.)

The report assumes that PGS would operate on a different basis from that on which the Government is currently consulting, which limits the value of some of the recommendations made in the report. Specifically, the report makes the assumption (p39 and following) that PGS revenues would be collected and retained by local authorities "to use in whatever way they feel appropriate". In fact the Government's proposals for PGS, published at the pre- Budget report are based on central collection by HMRC and redistribution to local authorities for the express purpose of funding the infrastructure and other matters required to support growth. No decisions have been taken on exactly what matters those are, and no details are available about how the Government's environmental / nature conservation objectives might be reflected in these revenue allocation decisions.

Despite these shortcomings, the research nevertheless offers some useful analysis on a technical subject where little has been published, and we hope you will find it of interest.

Ian Smith
Head of Development & Regional Policy
Environmental Impacts Team
English Nature
31st January 2006