

PLANNING AND SOLAR PV – BRIEFING NOTE IN RESPONSE TO FIT COMPREHENSIVE REVIEW

The proposed changes in the Feed-in-Tariff (FIT) for solar PV, announced on 31 October 2011 by DECC as part of the comprehensive FIT review¹, are likely to have significant repercussions on the affordability of PV schemes that are currently in planning.

This note provides brief guidance to developers on the potential implications for their project programme and business model of the time required to deliver a planning consent and to implement development. The information provided is solely about the planning system, and technical guidance should be sought from appropriate financial advisers on the long term effects of the proposed rates changes and additional technical commitments on developers proposed by the Phase 1 Review.

Proposed changes

The review proposes that a reduction of around 50% of the current tariffs (for schemes generating up to 50 kW), and around 30% of the current tariff (for schemes generating up to 150kW) will come into force for solar PV installations completed and registered on or after 12 December 2011².

Installations completed and registered on or after this date will receive the current rates up until the 31st March and will then be subject to the reduced new rates from 1 April 2012.

Installations completed after 31 March 2012 will start off at the lower rate and potentially be subject to caveats to receive the tariff. This could include reaching an Energy Performance Certificate level of C or taking up all the measures potentially eligible for Green Deal finance, depending on the outcome of the consultation.

As a transitional arrangement, installations with eligibility dates between 1 April 2012 and 31 March 2013 would have 12 months from the eligibility date to comply with the energy efficiency requirement.

Effects on the planning programme

The eligibility date of a project is based on it being commissioned and having its request for accreditation received by a FIT licensee (schemes up to 50kW) or Ofgem (more than 50kW).

- **For submitted planning application schemes**

For schemes currently in planning, it is now important to do all that you can to get a positive decision, ideally by mid November 2011, to allow sufficient time for the discharge of any planning conditions, construction works and the connection and accreditation of the installation to be completed. In order to expedite the process, we recommend that, in the first instance, you contact the planning case officer to establish whether you need to provide any more information to enable your application to be determined.

¹ DECC, 31 October 2011, Feed-in-tariffs scheme: consultation on Comprehensive Review Phase 1 – tariffs for solar PV, DECC

² For detail of proposed generation tariff changes, see Table 1 of reference 1, above



- **For projects for which planning applications have yet to be submitted**

Even the most straightforward planning applications can take up to 8 weeks to determine. For projects not yet submitted, therefore, there is unfortunately insufficient time for planning permission to be granted before the 12 December FIT registration deadline.

- **Projects in the pipeline**

Whilst your scheme may no longer be eligible for the higher FIT, if it is relatively well advanced it may be worth pursuing a planning application for the following reasons:

1. The DECC proposals announced on 31 October 2011 are subject to a period of consultation and may, therefore, not be implemented in the form currently proposed; and
2. In the longer term, it is important to remember that planning permission is valid for implementation for a period of 5 years from the date of approval. Within this time frame, whilst FIT payments may decrease, other costs could also come down. Securing planning permission will therefore allow you to continually review the financial viability of schemes, and to be in a position to implement your scheme at the appropriate point within the 5 years, without the need for further planning applications.

Planning for Solar PV

The Landmark Practice has been involved in the UK solar PV sector from the outset, providing the planning expertise required to bring forward development from initial feasibility through to planning consent and development management.

About The Landmark Practice

The Landmark Practice is an independent consultancy, supporting public and private sector developments in all aspects of planning, design and project management. We help our clients to balance their goals with the needs of the environment and regulatory compliance. We are well-known for giving practical, straightforward advice, for rigorous analysis and commercial realism.

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