

Rt Hon MP Jeremy Hunt,  
Chancellor of Exchequer,  
11 Downing Street  
London

**Sent by Email**

7 March 2023

Dear Chancellor,

**RE: Stamp Duty Exemption for Net Zero Carbon New Homes**

I am writing to you in my capacity of Chair of the Essex Planning Officers Association (EPOA) which represents 15 local planning authorities in Essex. I am writing to request the removal of stamp duty on all new homes built to a Net Zero carbon (in operation) standard.

In 2021 the Essex Climate Action Commission, an independent commission, published their report [Net Zero: Making Essex Carbon Neutral](#). This set challenging recommendations and targets to give focus to addressing Climate Change within Essex. One of the strands of the Commission's work focused on the Built Environment. As Chief Planners EPOA has worked closely with the Climate Commissioners and assisted with the commissioning of technical evidence which identified six key areas of work we need to address, working with both the local authorities and construction sector to successfully implement NZ new development, these being:

- Having a consistent policy position
- Providing support for the Local Planning Authorities
- Having a workable supply chain
- Knowledge sharing and talking the same language across the sector
- Having the right skills in the workforce
- Providing choice for the customers and meeting their requirements.

It is in relation to the customer, that I am writing to you. Consultants (The Three Dragons) were commissioned to produce viability evidence which priced the 2025 Future Homes Standard with a Passivhaus style NZ Carbon home. The evidence produced tells us that for most house types in almost all of Essex, NZ carbon home are viable, and will cost a fraction more (£2-£3k) than the Future Homes Standard Home will in 2025.

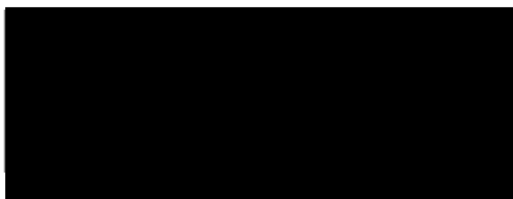
Furthermore, in 2022 a report published by Shakespeare Martineau entitled "Green Homes Report: What Buyers Want" and research undertaken by Legal and General last year informs us that a significant and growing proportion (60-70%) of first-time home buyers are looking to buy better quality, fuel efficient, green homes.

Clearly there a real appetite in Britain to deliver green growth opportunities in construction and better-quality energy efficient new homes. What is needed, is Governments support in the form of a stamp duty exemption applied to all new homes built to a NZ carbon standard, and this stamp duty exemption permitted for a sensible period of time, up to 10 years. If such a fiscal measure were introduced, this would, based on the existing evidence available, both latent demand and marginal cost difference, provide a jump start to the NZ carbon new homes market. This fiscal measure would, in my view, deliver for the housing market what the road tax exemption achieved in accelerating the electric car market.

The economic benefits of being a green economy global leader is supported by solid evidence including the Rt Hon Chris Skidmore MP's independent [Mission Zero](#) report published on 13 January this year, makes the point that "in 2022, the economic context changed which means the opportunities from Net Zero have never been greater." And this helpfully quantifies the size of the prize, at paragraph 4.44 stating "Net Zero is a driver of economic growth: it has already delivered growth for the UK and will continue to do so. There are already around 430,000 jobs in low carbon businesses and their supply chains across the country with turnover estimated at £41.2 billion in 2020."

I have taken the opportunity to communicate this very practical intervention which Government could make, with the Secretaries of State for DEFRA, DLUHC and DESNZ.

Your Sincerely



Emma Goodings

**Chair - Essex Planning Officers Association**

Copies to:

Victoria Atkins – Financial Secretary to the Treasury

Rt Hon Michael Gove MP – Secretary of State for Levelling Up, Housing & Communities

Rt Hon Rachel Maclean MP – Minister of State for Housing

Rt Hon Andrew Bowie MP – Minister for Energy Security and Net Zero

Rt Hon Thérèse Coffey MP - Secretary of State for EFRA

Rt Hon Grant Shapps MP - Secretary of State for ESNZ

Hebe Trotter – Special Advisor to the Secretary of State for Energy Security and Net Zero