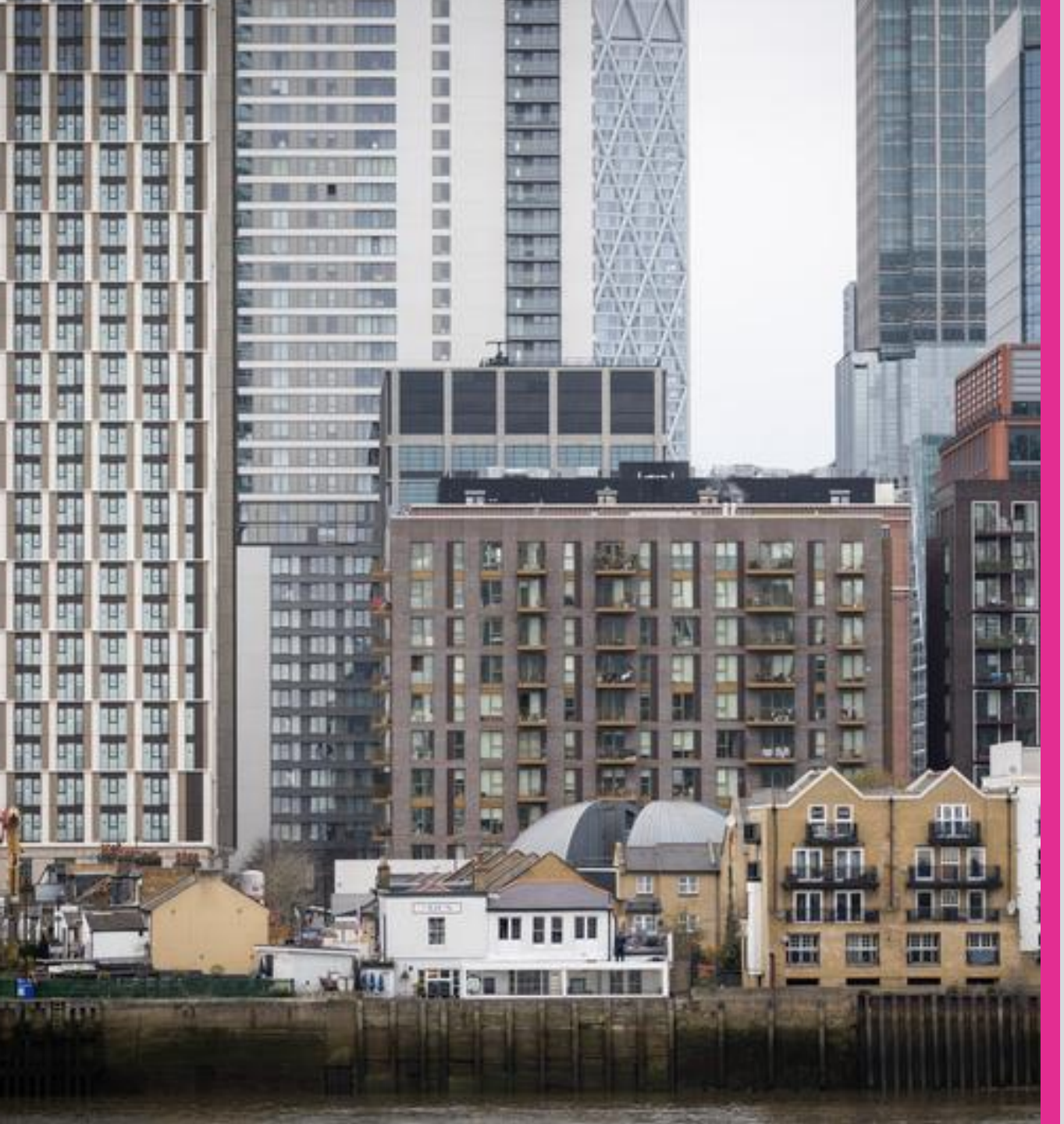


Carbon Offset Funds: Monitoring Report 2024

MARCH 2026

Contents

Purpose of this report

Carbon offset funds provide a source of funding for carbon reduction projects to support net zero ambitions across London.

The London Plan requires Local Planning Authorities (LPAs) to monitor and report annually on the operation of their carbon offset funds. This report summarises the value of funds, expenditure, types of projects funded, and the governance and monitoring arrangements in place.

In 2024, LPAs were successfully collecting and spending more carbon offset funds to deliver carbon reduction projects to benefit the community. More LPAs have governance arrangements in place and have identified a pipeline of projects, which has reflected in the delivery of more projects through the carbon offset funds compared with 2023.

These latest results show a positive response to the Mayor's 2023 recommendations on delivering carbon savings through carbon offset funds.

Since 2016 the Mayor's carbon offsetting policy has catalysed **£380m across London to support activities that tackle the climate emergency.**

Of this £380m, **£170m has been collected by LPAs** and is available to spend on carbon saving projects.

Of the total amount collected, **£92.7m has been spent on carbon reduction projects across London.**

The remaining collected funds, of £77.8m, will be allocated to deliver community and carbon reduction projects.

Carbon offset fund expenditure has increased by 52 per cent compared with 2023.

More than 650 projects have been funded. Energy efficiency measures and **renewable energy projects** continue to be the most popular across LPAs**.** However more LPAs are setting up a **community energy fund** and **exploring broader sustainability opportunities such as biodiversity gain and behaviour change.**

Introduction

The role of the planning system in the climate emergency

The London Plan

The London Plan is the strategic framework that guides and shapes our city's development in the years ahead. The current London Plan sets out the spatial development strategy to support sustainable, inclusive growth for the city. It ensures that new developments are responding to the climate emergency by minimising carbon emissions and implementing climate adaptation measures. This ensures developments are resilient to climate change and on the way to meet net zero by 2030.

The London Plan's net zero carbon target applies to all major planning applications. It delivers on-site carbon reductions beyond national building regulations. The progress is reported on an annual basis through our energy monitoring reports.

To support local authorities with spending carbon offset funds, the GLA published the Carbon Offset Funds Guidance in 2022 which sets out further detail on how funds can be spent, structures to support spending and example case studies.

Guidance with London Councils

This year, the GLA concluded work with London Councils to support LPAs to spend their carbon offset funds. Together we created a suite of documents including a case study summary of projects local authorities are delivering, as well as governance arrangements and practices which are supporting spending. A clarifications document and a practice note were also produced to clarify frequently asked questions around how carbon offset funds can be spent.

This carbon offset funds monitoring report sets out how LPAs are collecting and using carbon offset funds as part of their decarbonisation plans. This data represents the amounts collected since London's net zero carbon homes policy came into effect in 2016. As of 2021, the net zero carbon target also applies to major non-residential developments, and they are now making offset payments accordingly.

Meeting the net zero carbon target

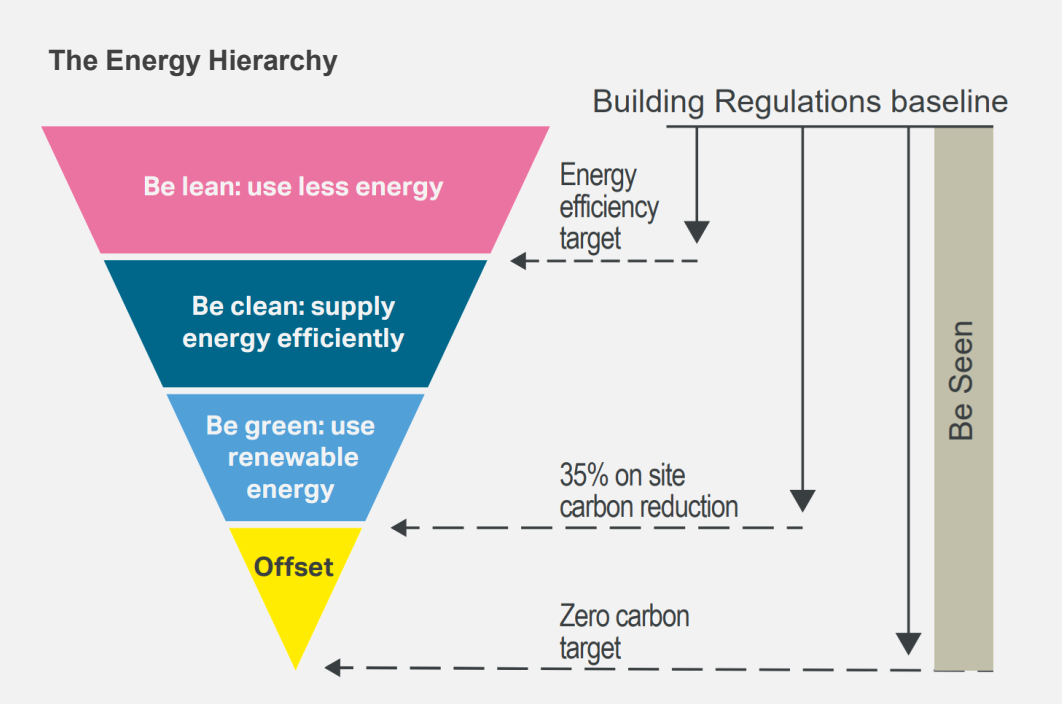
The London Plan requires all major developments[1] to achieve net zero carbon. There is a minimum requirement for a 35 per cent on-site carbon improvement on national Building Regulations.

In 2024, developments achieved an overall on-site carbon reduction of 56 per cent beyond the national Building Regulations. Further information on how developments have achieved onsite carbon reductions are available in the 2024 Energy Monitoring Report.

Once on-site carbon reductions have been maximised, the shortfall to zero carbon is offset by making a cash-in-lieu contribution into the relevant LPA's carbon offset fund.

To meet the target, planning applicants are expected to follow the energy hierarchy:

- **'Be Lean'** – use less energy
- **'Be Clean'** – supply energy efficiently and cleanly
- **'Be Green'** – maximise renewable energy
- **'Be Seen'** – monitor, verify and report energy performance



Planning applicants are expected to maximise savings on-site before paying to offset residual carbon emissions.

[1]Major developments are those with 10 or more units and those with >1000 m^2 of floorspace, not just those referred to the Mayor

Carbon offset funds

While applicants are encouraged to minimise on-site carbon emissions before paying into the carbon offset funds, paying into the fund allows applicants the flexibility to meet the London Plan net zero target. The carbon offset payment is secured through a Section 106 agreement.

Funds are collected by LPAs and are ring-fenced for climate-related projects in the respective LPA. It is important that these funds are used effectively as part of an LPA's response to the climate emergency.

Throughout this report, carbon offset funds are categorised as:

- **Secured** – the amount secured refers to the value of payments LPAs have secured by legal agreement with developers, to be collected in future.
- **Collected** – the amount collected refers to the value of payments received by the LPA from a developer, available to spend on carbon offset projects.
- **Allocated** – the amount committed to spend refers to carbon offset funds which have been allocated to carbon saving projects but not yet spent.
- **Spent** – the amount spent refers to carbon offset funds which have been spent on carbon saving projects.

The data provided varies based on how LPAs monitor and capture their spending. Some local authorities separate 'spent' and 'allocated', others combine 'spent and allocated'. The data is separated where possible, but in most cases presented as a combined value.

Local Planning Authority Responsibilities

All LPAs are required to:

- **Collect carbon offset payments** for any major development with a carbon reduction shortfall.
- **Set up a carbon offset fund** – this includes developing a pipeline of projects to invest in.
- **Establish a local carbon offset price** or use the Mayor's recommended price (£95/tonne CO_2).

Further details are available in the GLA's Carbon Offset Fund Guidance (referred to as 'the guidance' in this report).

Carbon offset funds play an important role in funding carbon reductions on projects which are more challenging to decarbonise, funding innovative community projects or complex-to-decarbonise existing buildings.

Local Authority representation

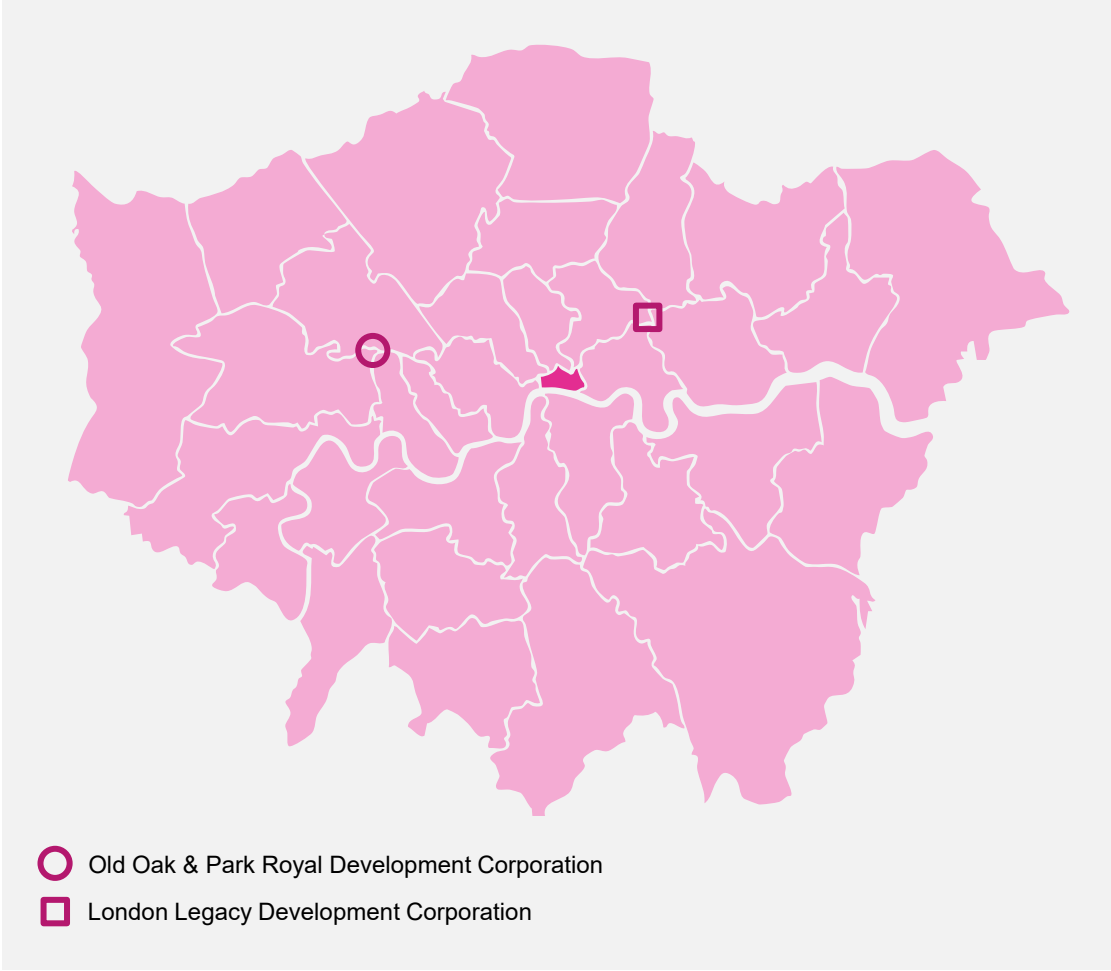
Earlier this year London's LPAs responded to the Greater London Authority's (GLA) carbon offset fund monitoring survey to share how much they are spending over 2024. This survey is issued annually to monitor how the offsetting policy is delivered, the value of these funds and how they are being spent.

This report presents a summary of the survey findings and highlights examples of approaches taken by London's LPAs.

London's 34 LPAs include the:

- 32 London boroughs
- City of London Corporation
- Old Oak & Park Royal Development Corporation (OPDC)

The London Legacy Development Corporation (LLDC) is no longer an established planning authority and therefore their 2024 data is no longer collected, however historic figures are still included in total carbon offset funds. In addition, one LPA (Croydon) did not respond to the survey – we have assumed values for this LPA are unchanged from 2023.



Results

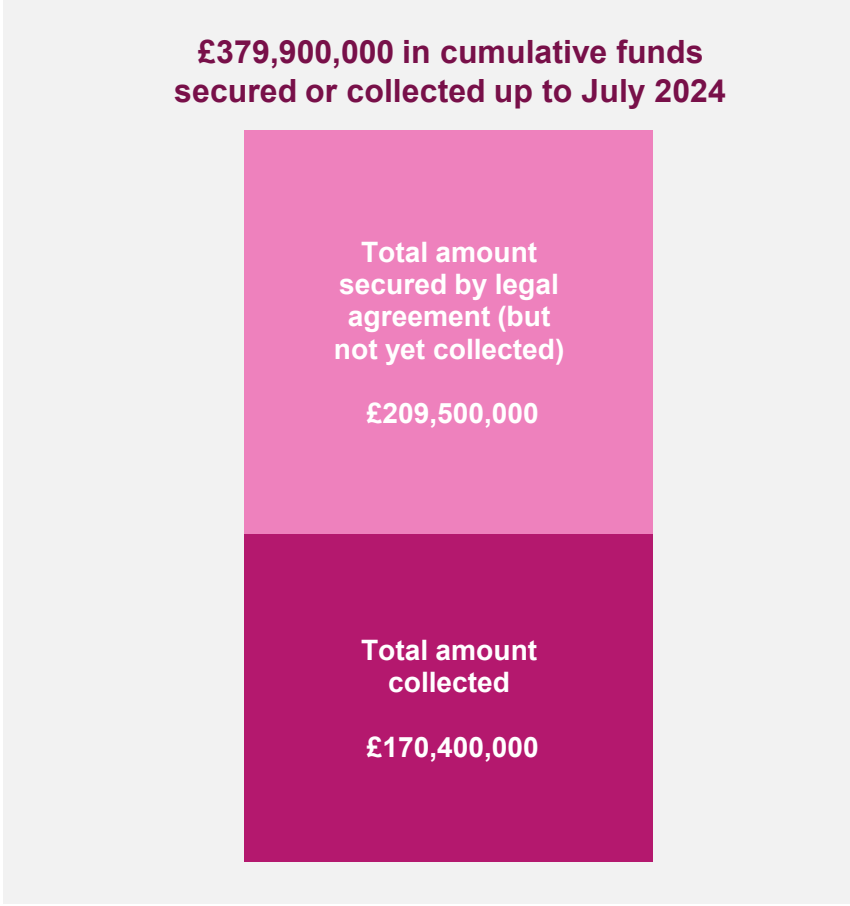
Total value of carbon offset funds

The total cumulative value of carbon offset funds secured or collected since 2016: £379,900,000

Of the total funds secured, roughly **45 per cent** has been collected; this is equivalent to a total of **£170 million** available for spending on projects within the local council.

The total value of an LPA's carbon offset fund is dependent on:

- the **number of planning applications** the LPA has received
- the carbon **offset price** used
- the **difference between on-site carbon reductions and net zero carbon** for each qualifying major development, and
- **when LPAs collect payments** i.e. at planning approval, commencement on-site or post-construction.



Carbon offset fund spending

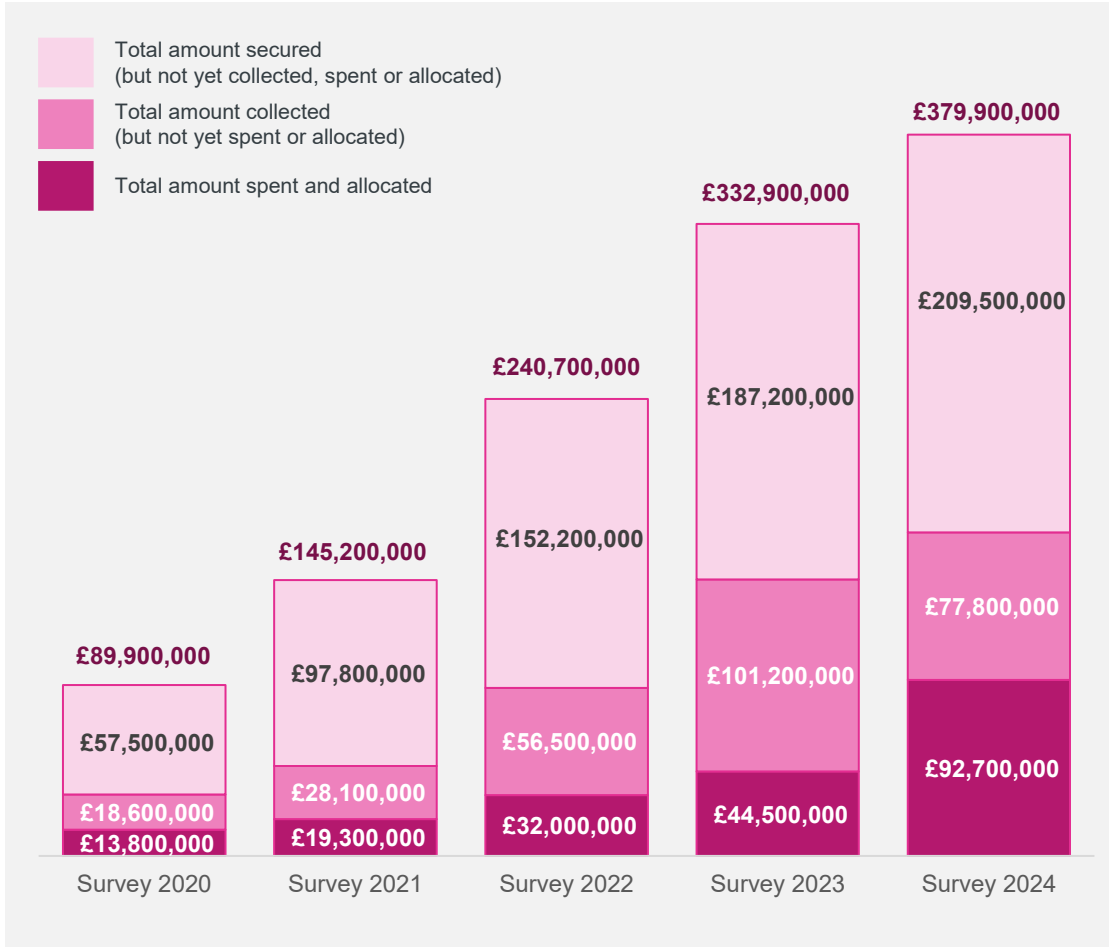
There has been good progress in spending carbon offset funds among LPAs with more than double the amount of funds spent compared to last year, a total of **£92.7 million.**

Of the total funds collected, **54 per cent** of the funds have been spent on decarbonisation projects to date.

It is important that LPAs continue to identify and fund new projects to spend their offset funds, to help deliver the carbon reductions and deliver climate projects needed across London.

LPAs should continue to co-fund projects with other funding sources and to use the guidance which includes information on how to identify projects, including investigating GLA programmes such as the Zero Carbon Accelerator for project development support.

LPAs should consider strategic opportunities to pool funds to meet sub-regional or London-wide net zero carbon objectives.



Breakdown of carbon offset fund spending

The following table lists the total funds that have been collected by each LPA since 1 October 2016. It also provides the proportion of this collected fund that has been spent and allocated on completed or upcoming projects. In general, most LPAs reported their carbon offset fund figures for the period October 2016 to July 2024, any exceptions are highlighted.

Many local authorities have now overcome barriers to spending funds, with projects and processes in place to spend collected funds in the coming financial year.

	Total funds collected 2016 - 2024	% of funds spent and allocated
Barking and Dagenham	£1,170,000	25%
Barnet[1]	£3,920,000	28%
Bexley[1]	£440,000	100%
Brent	£5,220,000	41%
Bromley	£1,330,000	74%
Camden	£9,780,000	13%
City of London Corporation	£1,380,000	48%
Croydon[3]	£4,500,800	10%
Ealing[1]	£5,860,000	83%
Enfield	£1,000,000	41%
Greenwich	£4,890,000	22%
Hackney	£3,690,000	73%
Hammersmith & Fulham	£4,630,000	3%
Haringey	£3,010,000	88%
Harrow	£2,120,000	37%
Havering	£1,660,000	11%
Hillingdon	£8,220,000	33%
Hounslow	£5,870,000	5%

	Total funds collected 2016 - 2024	% of funds spent and allocated
Islington	£19,200,000	71%
Kensington and Chelsea	£1,720,000	47%
Kingston	£1,280,000	85%
Lambeth	£2,690,000	84%
Lewisham[1]	£3,780,000	25%
LLDC[2]	£3,940,000	8%
Merton	£1,680,000	11%
Newham[1]	£6,550,000	18%
OPDC	£8,430,000	100%
Redbridge	£510,000	100%
Richmond upon Thames	£360,000	50%
Southwark	£10,280,000	95%
Sutton[1]	£360,000	0%
Tower Hamlets	£19,520,000	84%
Waltham Forest[1]	£4,220,000	92%
Wandsworth[1]	£3,150,000	20%
Westminster City Council	£14,110,000	54%

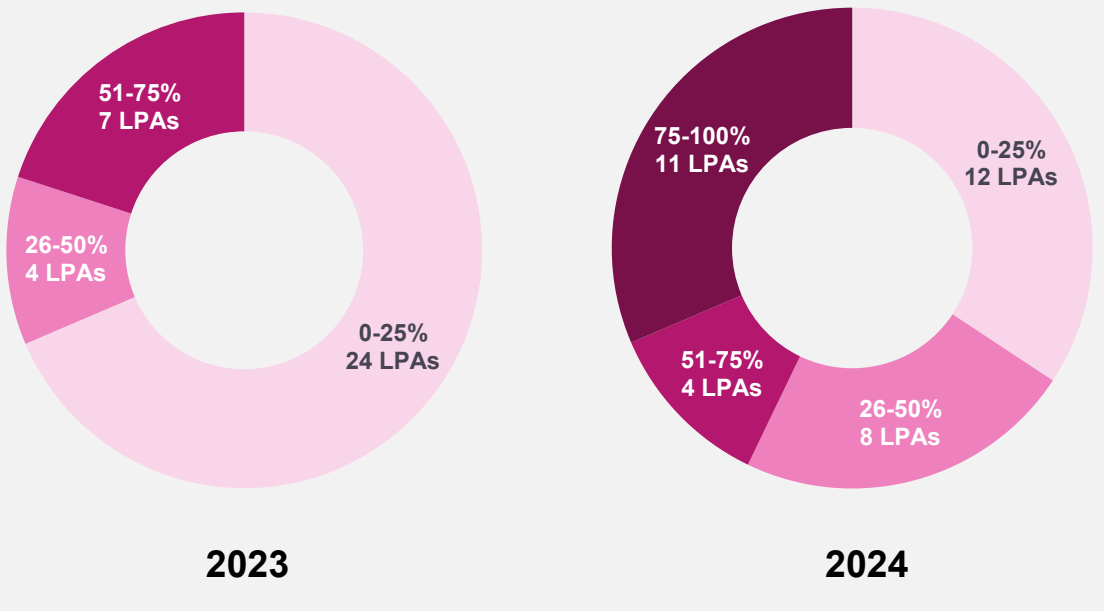
[1] Figures do not align with the reporting period October 2016 – July 2024 (March 2024 – Bexley, Wandsworth and Newham, August 2024 – Ealing, May 2025 – Lewisham, March 2025 – Waltham Forest, June 2025 - Barnet, November 2025 – Sutton).
[2] LLDC no longer operate as an LPA, however figures are reported for 2016 – 2023.
[3] Croydon did not respond to the survey; figures are provided for 2016 - 2023.

Breakdown of carbon offset fund spending (2)

Over 2024, the total amount of collected funds LPAs spent on climate mitigation projects continues to grow. **In 2023, around 30 per cent of the collected funds were spent; in 2024 over 54 per cent** of the funds were spent.

Of the LPAs that have spent below 25 per cent, most of these LPAs predict this figure will grow in the following year having addressed governance challenges, allocated projects, or identified a pipeline of projects.

Spending from LPAs has increased significantly between 2023 and 2024

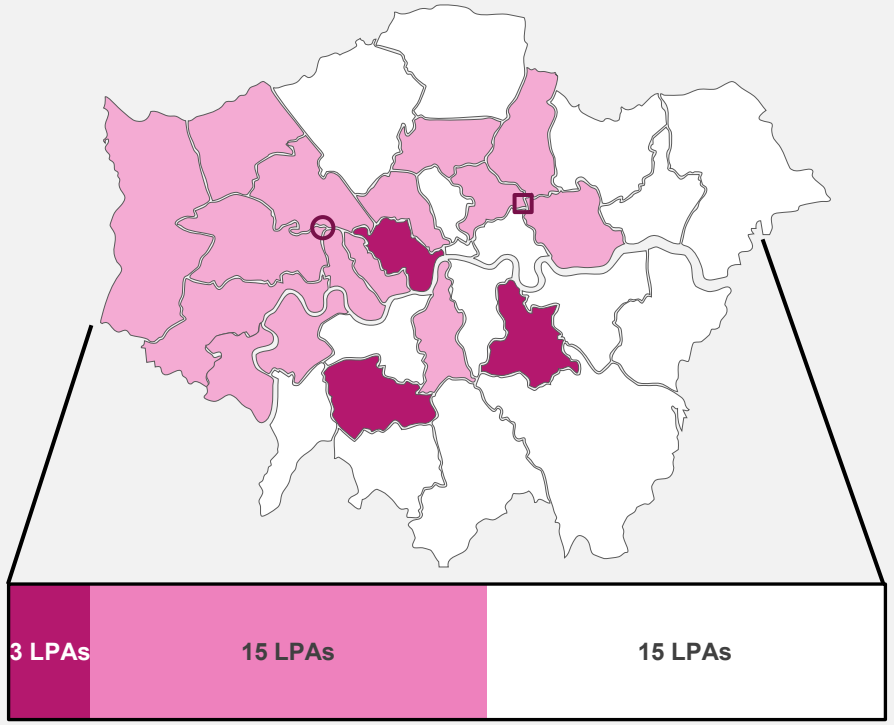


Carbon offset price (1)

The GLA sets a recommended carbon offset price of £95/tonne of carbon over a 30 years lifetime of the building. Most of the LPAs reported using the GLA-recommended price. LPAs can develop, publish and keep under review their own carbon offset price based on the cost of offsetting carbon emissions locally, instead of using the GLA-recommended price.

In 2024, three LPAs reported to use a locally set price (in 2023, two LPAs used a locally set price). Of the remaining LPAs who currently use the GLA price, half of the LPAs are investigating a new local offset price in the next 12-24 months.

- Some local authorities intend to use a carbon offset associated with a **price per tonne of carbon**.
- Some local authorities are considering an energy offset associated with **total energy use of the building**.



3 LPAs use a local price which is higher than the £95/tonne. These include Lewisham, Merton and Westminster City Council
15 LPAs plan to update their carbon offset price in the next 12-24 months.
15 LPAs plan to continue using the GLA recommended carbon offset.

Carbon offset price (2)

The motivation for increasing the price is to allow the carbon offset of the proposed development to deliver an equivalent carbon offset in project delivery.

Of the 18 LPAs that are exploring alternative pricing arrangements (15 LPAs) or have already changed (3 LPAs) their carbon offset price:

- 3 LPAs have **increased their carbon offset price** over the GLA price.
- A few LPAs **plan to increase their price**. Some are considering a flexible arrangement to agree offset price based on if the development is major or minor, or based on the proposed scheme and on-site emissions.
- A few LPAs plan to **shift to an energy-based metric with an energy balance offset**.
- Some LPAs are exploring, but are yet to decide, a shift to an energy-based metric and the potential for an energy balance offset instead of a carbon offsetting approach.

		Cost Price
Adopted	Lewisham	£104 t/CO_2 for 30 years
	Merton	£300 t/CO_2 for 30 years
	Westminster	£330 (electric), £880 (gas) t/CO_2 for 30 years
Exploring	Lambeth	**Exploring** EUI and energy balance or carbon
	Hounslow	Majors: £370 t/CO_2 t/CO2 for 30 years; Minor residential: £95 t/CO_2, for 30 years
	Brent	**Exploring** EUI and energy balance or carbon
	Haringey	EUI and Energy Balance (£1.32/kWh/year)
	Richmond upon Thames	£300t/CO_2 for 30 years
	Hackney	EUI and Energy Balance (£1.32/kWh/year)
	Waltham Forest	£300 t/CO_2 for 30 years
	Hammersmith & Fulham	Between £0 - £880/tonnes/yr for 30 years based on the development and onsite proposals
	Harrow	**Exploring** EUI and energy balance or carbon - £1.32/kWh/yr or £880/tonne/yr for 30 years
	Hillingdon	£300 t/CO_2 for 30 years
	Camden	EUI and Energy Balance (£1.32/kWh/year)
	Ealing	**Exploring** EUI and energy balance
	Newham	**Exploring** EUI and energy balance
	RBKC	**Exploring** EUI and energy balance
	Sutton	**Exploring** EUI and energy balance

Collecting carbon offset payments

Carbon offset funds are secured through Section 106 agreements. Most LPAs trigger payment of carbon offset payments at different times in the development cycle. Developers have three years to commence construction following planning approval, resulting in a period between payments being secured and payments being made.

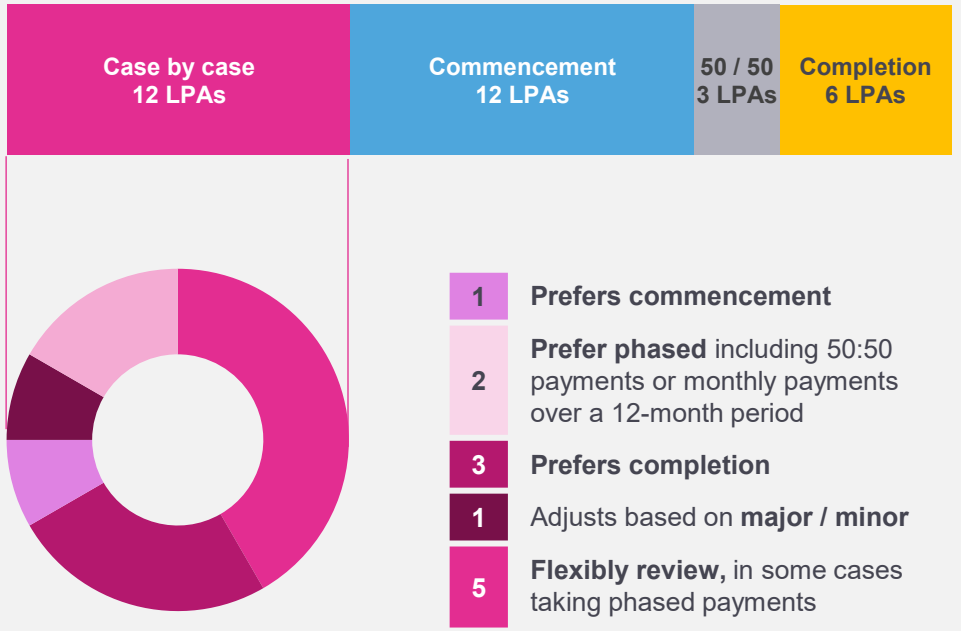
Many LPAs **review payment on a case-by-case basis**, with 12 LPAs using different payment timings based on the size or phasing of the development, or to support viability and cashflow for developers

12 LPAs preferred to **collect payments as early as possible** since this can support forward planning of project delivery. However, they always review the carbon offset payments after completion to collect any extra sums, or correct carbon offset amount if savings are made.

6 LPAs determine and **collect payments on completion or at first occupation** as an incentive for developers to improve on design stage calculations and pay a reduced carbon offset amount.

3 LPAs **collect half of the payment at completion and half at commencement** as an incentive to reduce on-site carbon emissions during construction.

When carbon offset payments are collected over the construction stages of a project



Overcoming barriers (1): Improving resource processes

Among the barriers identified, LPAs stated that there was not enough resource, or expertise in the team to:

- Manage the fund, identify suitable projects, and deliver projects.
- Additional time required to approve projects, secure additional funding and take the project through internal sign-off.

To overcome these challenges some **LPAs have recruited more staff to review and explore offset opportunities.** The carbon offset fund was used to pay for dedicated staff resource or allow a portion of the project resources for staff-time.

Case Studies

Merton increased the capacity in the Climate Change team by recruiting more staff funded with the climate offset fund. In doing so, they were able to identify projects to allocate the carbon offset fund which deliver decarbonisation and additionality. They have identified a publicly owned Civil Centre building to retrofit which will be funded by the carbon offset fund.

Brent council ringfenced any carbon offset funds for spending by the Climate Emergency Team. The team have a dedicated role which oversees the carbon offset fund expenditure and oversees the process.

The guidance suggests that councils can use up to 10 per cent of the carbon offset fund to pay for extra resource to identify and deliver projects funded by the carbon offset fund.

Overcoming barriers (2): Identifying projects and expanding scope

Many local authorities identified challenges in finding suitable projects which can be funded by the carbon offset fund for the following reasons:

- A lack of long-term spending strategy and vision which can support suitable projects
- Initially unable to identify suitable projects in the borough
- Carbon offset funds did not cover the cost for impactful projects. Identified projects do not deliver enough carbon offset to achieve a 1:1 ratio.

To overcome these challenges, some local authorities have created a clear long-term strategy with a **pipeline of projects to streamline sign-off and project delivery**. Other local authorities have widened the scope of carbon offset projects to support broader sustainability projects including climate adaptation, nature-based solutions, domestic or non-domestic retrofit and local community projects.

GLA guidance does not require LPAs to target a 1:1 ratio. This is the assumption that cost of delivering carbons savings through projects funded by the carbon offset fund results in the same carbon savings as the price that is paid into the carbon offset fund.

LPAs are encouraged to use the funds to support all suitable projects, this could include projects which require higher costs or innovative approaches to deliver additional carbon savings which are harder (and more costly) to achieve.

Having a pipeline of projects can speed up delivery of projects from carbon offset funds. Once a pipeline of projects is available, projects may be chosen based on funds available, project timelines, project priority, alignment of projects with broader council funding and when additional funds can be secured and collected.

Overcoming barriers (3): Improving governance arrangements

While most LPAs have now established a governance arrangement, a few LPAs identified that the internal governance process was slowing down sign-off and delivery. In addition, some LPAs stated that a lack of long-term spending strategy and vision meant that there was no clear pipeline of suitable projects or direction to approve sign-off.

The local authorities that do have governance arrangements in place have identified a streamlined governance process which allows for project approval and internal sign-off for multiple projects. This speeds up spending and project delivery.

Adequate governance arrangements should guide the delivery of carbon offset funds. LPAs could either establish a dedicated carbon offset fund, administer the funds through their Section 106 processes or through a community energy fund / community climate fund. The funds can be used to fund broader climate and sustainability projects, however this must be part of a suite of projects which also delivers quantifiable carbon savings.

Case studies

For grants available to **Camden** residents, businesses, and community groups, the Camden Climate Fund eligibility criteria determines which projects will be funded with final approvals made by the Climate Programme Manager and the Head of Climate. Applications remain open on a rolling basis for the community. For internal projects (such as corporate energy efficiency projects) a business case is prepared and approved by the relevant Director.

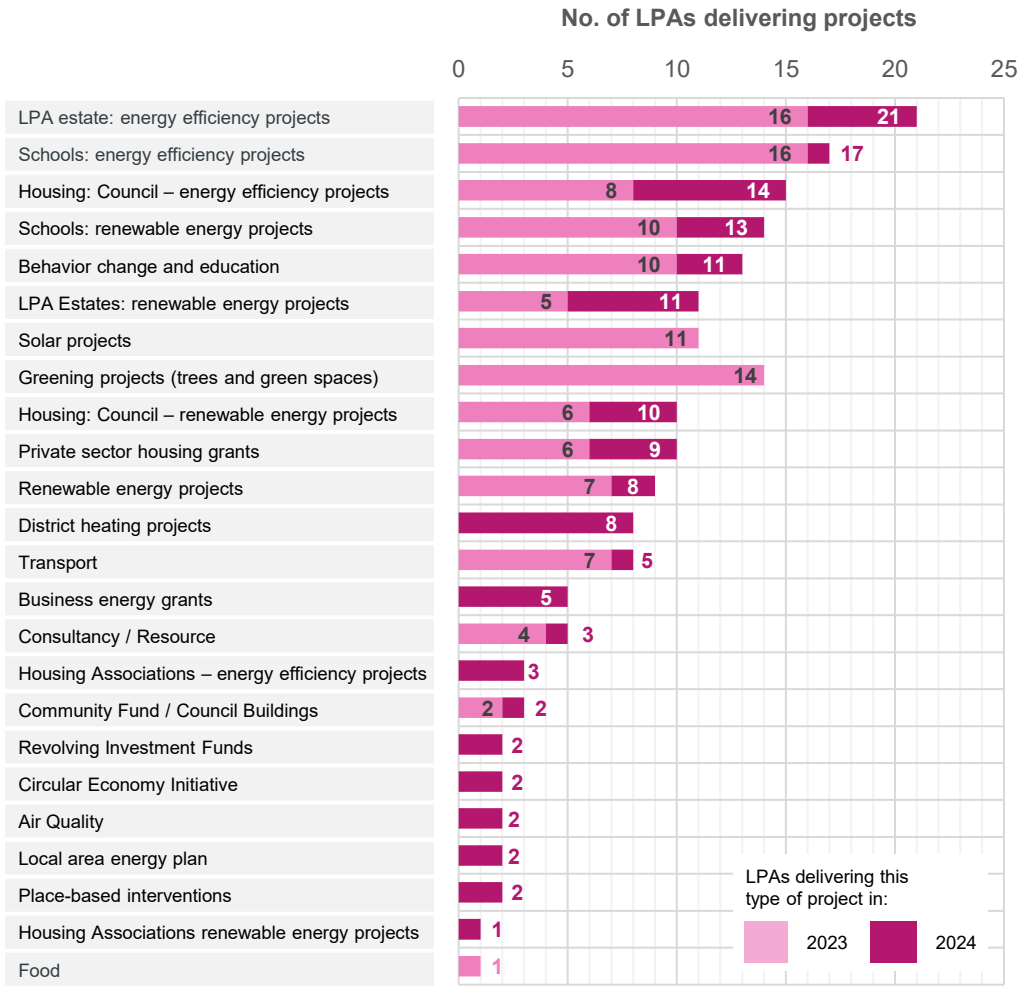
At **Richmond upon Thames and Wandsworth**, the Energy and Sustainability team set up a detailed programme of works to effectively allocate and collect funds. The programme includes a set of projects which are aligned with the Authorities' wider sustainability objectives and commitments to carbon reduction targets through to 2030. In addition, it had undergone review and received formal approval for a phased delivery of projects.

Types of projects funded

Since 2016, LPAs have funded over 650 projects in 2016. **In the past financial year (2023 – 2024), LPAs have funded and delivered almost half of the total projects delivered with the carbon offset fund.**

Energy efficiency and renewable energy projects continue to be the most commonly funded by LPAs, primarily in LPA corporate estates, housing and schools. Since 2023, the number of LPAs delivering this type of project has increased. In addition, they are delivering new projects since 2023, including district heating, circular economy initiatives and air quality improvements. The fund is also being used for feasibility and research projects to support local area energy plans and energy projects.

The GLA Practice Note sets out that the carbon offset funds should primarily be used to deliver tangible carbon savings. However, they can also be used to support broader climate action. This includes climate adaptation, community projects and behaviour change initiatives. Funds can also be used to support feasibility projects and staff time.



Community energy funds

Some local authorities have used their carbon offset funds to create community energy funds to support the local community. This has been reported as a positive approach to:

- Support local businesses and communities to decarbonise their assets while reducing long-term energy costs.
- Engage the community and support education and behaviour change around climate and the sustainability agenda.
- Work with delivery partners and local communities to support local skills and supply chains.

However, challenges in applying for, and awarding funding include inconsistent information in applications to compare carbon savings and project costs, and ensuring the projects will go ahead once the funds are awarded. Some LPAs have overcome this by ensuring they work with delivery partners to complete projects, or agreeing to match-fund so applicants are financially invested in project delivery and deadlines.

Case studies

The **Hackney Community Energy Fund** is fully funded by Carbon Offset payments and has awarded over £1m in grants to local community. The funds are often via delivery partners who can coordinate and deliver the project in a timely manner.

In addition to **Haringey Community Carbon Fund (HCCF),** Haringey recently launched the **Power Up Haringey Scheme** which focuses on funds for homeowners to retrofit their homes particularly with solar photovoltaics and air source heat pumps.

Islington's Community Energy Fund supports community buildings, businesses and homeowners. Applicants can access funding for project delivery, as well as feasibility projects.

Lewisham opened their recent round of **Community Energy Fund** applications to align with Circular Economy Week in support of circular economy projects, in addition to carbon reduction projects.

Case studies: project delivery

Old Oak and Park Royal Development Corporation
OPEN Heat Network and Circular Economy Hub

OPDC used much of their carbon offset funds towards the OPEN Heat Network. The heat network will use low-carbon waste heat from three data centres to supply a hospital, existing buildings and new buildings as part of the Old Oak West development.

A small proportion of the carbon offset fund has also been used towards a temporary circular economy hub, which will ultimately be redeveloped for an Energy Centre serving the OPEN Heat Network. The current hub supports businesses that reuse waste materials from the site, and elsewhere, to create film sets, construction material, printing inks and ceramics. Engagement with local communities and businesses is encouraged.

The OPEN heat network utilises £5.5m of the carbon offset funds and will save over 90 per cent of carbon emissions.

The circular economy hub used roughly £30k of the carbon offset fund. The hub has created 35 jobs and saved over 28 tonnes of carbon from salvaged material.

Barnet
Electric Vehicle Charging Points

The carbon offset fund is supporting the installation of over 510 electric vehicle charging points. The charge points target the entire borough, with the aim to install at least 15 charge points across 34 streets. Barnet will install, manage, operate and maintain these charging points.

The project aims to reduce carbon emissions associated with transport and improve air quality across Barnet. With access to more electric vehicle charging, Barnet also hopes to deliver broader socio-economic benefits to residents and support behaviour change and electric vehicle adoption resulting in meaningful long-term carbon savings.

£300k of fundings from the carbon offset fund was used alongside additional grant funding.

The charge points are expected to provide approximately 200,000 kWh per month.

Case studies: project delivery

Hackney
North London Mosque Trust

The North London Mosque Trust (Masjid-e-Quba) received a £50,000 grant from the third round of the Hackney Community Energy Fund to help towards the installation of under-floor heating and a PV and battery storage system at the Mosque. The total project cost £103,000 which was match funded by the community during Ramadan.

The delivery of the project was supported by a local community energy group, CREW Energy, which has since helped the Trust secure additional funding for further heating improvements. The mosque was an opportunity to share the benefits of low carbon technologies with the community, supporting broader behavioural change and adoption of low carbon technologies.

The project has reduced the Mosque's carbon emissions by 8.2 tCO_2e and saved over £7,500 in energy costs.

The Mosque have since held workshops with their community to promote environmental and health benefits of underfloor heating, solar panels and heat pumps.

Barking & Dagenham
Nature and Greening Projects

A recent project receiving offset funding is the Miyawaki Forest Planting initiative in Barking & Dagenham, which will establish approximately 36,400 native trees across Eastbrookend Country Park, Goresbrook Park, and Castle Green to create fast-growing, dense urban forests.

The planting was delivered with help from volunteers in the community as well as contractors to ensure planting was carried out for project delivery. In addition to carbon savings, the project delivers co-benefits of biodiversity net gain, flooding attenuation, improved air quality and reduced noise pollution.

The forests are projected to sequester 791 tonnes of CO_2 per year (once mature).

£148k of the Carbon Offset Fund was combined with £33k of Trees for Climate and ward budgets to fund the project.

Project auditing

All offset projects must be able to demonstrate that they will save carbon before they are funded and that these savings will occur post-delivery. Compared to 2023, the number of LPAs auditing projects has increased. Projects audited by local authorities often only captures some of the projects due to the nature of community projects funded.

Many councils that track the performance of projects receiving carbon offset funds will require reports to be submitted annually, or audit projects after a year of completion.

For LPAs that audit some, or none of their projects, availability of resource and expertise continue to be a barriers. To overcome this, they are exploring options including:

- Using funds to secure external expertise to carry out audits.
- Adding Key Performance Indicators and conditions onto grant agreements to ensure carbon performance is gathered after project delivery.
- Utilising existing audit frameworks such as PAS 2035

Most LPAs are auditing all or some of their funded projects to confirm carbon savings.

Carbon savings should be verified post-installation through monitoring and evaluation. Project monitoring plans should be prepared for each project funded, requiring a final report detailing the work carried out and estimated resulting carbon savings achieved over the lifetime of the project.

If auditing arrangements are not already in place, LPAs should work with other LPAs and make use of resources available on the London Councils sharepoint to learn more about how best to implement this. This may be through the use of forms with key performance indicators, or regular audits.

Conclusions and recommendations

Conclusions

The amount of carbon offset fund spent rapidly increased in the past financial year.

Compared to 2023, the amount of carbon offset funds spent and allocated has more than doubled, with the total amount of funds spent and allocated in 2024 being £92.7m in total, compared to £44.5m in 2023.

Energy efficiency projects continue to be the focus.

LPAs are most frequently funding energy efficiency projects in public sector buildings (both estates and municipal buildings).

Carbon offset funds are being used to support community energy funds.

LPAs are increasingly using carbon offset funds towards a community energy or climate fund which supports local community decarbonisation and energy projects. The fund is available for charities, places of faith, residents and small businesses.

Governance and administrative processes are being streamlined.

Nearly all LPAs have governance and administrative arrangements in place. Some LPAs are streamlining approval processes to deliver carbon saving projects more efficiently.

Offset fund expenditure is aligning with priorities set out in climate action plans.

Most LPAs are setting out long-term strategies on how the climate offset funds can fund local projects to align with the local authorities' long-term strategy. This will deliver more actionable and impactful carbon saving projects to help tackle the climate emergency.

Approaches to measuring and verifying carbon savings from projects are variable.

For the LPAs with monitoring and auditing processes, their use is often determined at the discretion of the LPA based on the size of funding allocated, the type of project funded and the resources available. There is also variability in how LPAs estimate carbon savings in project proposals.

Recommendations

Results from the 2024 survey show great progress amongst London's LPAs in securing and spending carbon offset funds. It also shows how LPAs are setting up their own systems and exploring opportunities for establishing their own offset prices to support local community projects. To continue to improve processes, recommendations focus on establishing an auditing process to monitor, capture and share the carbon savings delivered using carbon offset funds.

Continue to reduce onsite carbon emissions, in line with the London Plan, before calculating carbon offset payments. This will deliver carbon savings in the most cost-effective way.

Continue to use funds to overcome resource barriers. This will help in identifying cost-effective projects and co-funding opportunities.

Maintain and ensure suitable governance arrangements are in place to manage funds. Using existing processes is an efficient way to manage offset fund decision-making and can prevent delays to approving projects.

Set up processes to accurately and comprehensively monitor the operation of offset funds and report annually to the GLA.

Verify carbon savings post-installation through monitoring and evaluation. If auditing arrangements are not already in place, we recommend working with other LPAs to learn more about how best to measure carbon savings and accessing the London Councils resources.

Share lessons learnt from managing the carbon offset fund and delivering projects across LPAs to support others across London and minimise administrative burden.

Identify opportunities to deliver co-benefits and additionality through carbon offset funds which deliver carbon savings with broader sustainability goals. This will help support the delivery of cross-cutting projects across boroughs which can deliver community benefits.

For any questions or feedback, please contact: zerocarbonplanning@london.gov.uk.
For access to the London Council resources please contact: climateunit@londoncouncils.gov.uk.

Appendices

Appendix
Value of carbon offset funds by LPA (2024)

Local Planning Authority	Total Value of fund	Total amount secured by legal agreement	Total collected	Total spent and allocated
Barking and Dagenham	£1,770,000	£600,000	£1,170,000	£300,000
Barnet	£5,030,000	£1,110,000	£3,920,000	£1,090,000
Bexley	£1,540,000	£1,100,000	£440,000	£440,000
Brent	£7,720,000	£2,500,000	£5,220,000	£2,160,000
Bromley	£4,920,000	£3,590,000	£1,330,000	£990,000
Camden	£15,890,000	£6,110,000	£9,780,000	£1,290,000
City of London Corporation	£27,130,000	£25,750,000	£1,380,000	£660,000
Croydon[1]	£9,470,000	£4,970,000	£4,500,000	£450,000
Ealing	£18,110,000	£12,250,000	£5,860,000	£4,840,000
Enfield	£1,300,000	£300,000	£1,000,000	£410,000
Greenwich	£10,600,000	£5,710,000	£4,890,000	£1,050,000
Hackney	£10,400,000	£6,710,000	£3,690,000	£2,690,000
Hammersmith & Fulham	£7,970,000	£3,340,000	£4,630,000	£130,000
Haringey	£8,730,000	£5,720,000	£3,010,000	£2,630,000
Harrow	£3,200,000	£1,080,000	£2,120,000	£780,000
Havering	£2,310,000	£650,000	£1,660,000	£190,000
Hillingdon	£8,220,000	No Data	£8,220,000	£2,730,000
Hounslow	£15,350,000	£9,480,000	£5,870,000	£310,000

Local Planning Authority	Total Value of fund	Total amount secured by legal agreement	Total collected	Total spent and allocated
Islington	£24,080,000	£4,900,000	£19,180,000	£13,530,000
Kensington and Chelsea	£3,250,000	£1,530,000	£1,720,000	£800,000
Kingston	£2,550,000	£1,270,000	£1,280,000	£1,080,000
Lambeth	£6,730,000	£4,040,000	£2,690,000	£2,250,000
Lewisham	£3,780,000	£0	£3,780,000	£940,000
London Legacy Development Corporation[1]	£5,890,000	£1,950,000	£3,940,000	£330,000
Merton	£3,350,000	£1,670,000	£1,680,000	£180,000
Newham	£12,660,000	£6,110,000	£6,550,000	£1,150,000
Old Oak and Park Royal Development Corporation	£10,390,000	£1,960,000	£8,430,000	£10,260,000
Redbridge	£3,150,000	£2,640,000	£510,000	£510,000
Richmond upon Thames	£1,870,000	£1,510,000	£360,000	£180,000
Southwark	£26,710,000	£16,430,000	£10,280,000	£9,780,000
Sutton	£770,000	£410,000	£360,000	£0
Tower Hamlets	£56,720,000	£37,200,000	£19,520,000	£16,420,000
Waltham Forest	£13,220,000	£9,000,000	£4,220,000	£3,890,000
Wandsworth	£8,560,000	£5,410,000	£3,150,000	£630,000
Westminster City Council	£36,570,000	£22,460,000	£14,110,000	£7,590,000
Total	**£375,930,000**	**£209,460,000**	**£166,470,000**	**£96,730,000**

[1] Based on 2023 figures

Appendix
Value of carbon offset funds by LPA (2023)

Local Planning Authority	Total Value of fund	Total amount secured by legal agreement	Total collected	Total spent and allocated
Barking and Dagenham	£2,540,000	£1,770,000	£770,000	£0
Barnet	£8,870,000	£6,920,000	£1,950,000	£290,000
Bexley	£1,400,000	£980,000	£420,000	£0
Brent	£7,570,000	£3,380,000	£4,190,000	£110,000
Bromley	£4,680,000	£3,700,000	£980,000	£130,000
Camden	£12,050,000	£4,030,000	£8,020,000	£500,000
City of London Corporation	£22,100,000	£20,930,000	£1,170,000	£660,000
Croydon	£9,470,000	£4,970,000	£4,500,000	£450,000
Ealing	£21,100,000	£14,420,000	£6,680,000	£3,200,000
Enfield	£2,020,000	£1,420,000	£600,000	£440,000
Greenwich	£4,880,000	£2,440,000	£2,440,000	£50,000
Hackney	£6,660,000	£4,450,000	£2,210,000	£1,410,000
Hammersmith & Fulham	£3,990,000	£2,780,000	£1,210,000	£130,000
Haringey	£7,500,000	£4,970,000	£2,530,000	£910,000
Harrow	£2,930,000	£1,070,000	£1,860,000	£320,000
Havering	£3,030,000	£1,470,000	£1,560,000	£170,000
Hillingdon	£8,110,000	No Data	£8,110,000	£470,000
Hounslow	£11,450,000	£7,490,000	£3,960,000	£140,000

Local Planning Authority	Total Value of fund	Total amount secured by legal agreement	Total collected	Total spent and allocated
Islington	£22,600,000	£5,000,000	£17,600,000	£12,000,000
Kensington and Chelsea	£3,200,000	£1,590,000	£1,610,000	£700,000
Kingston	£3,680,000	£2,550,000	£1,130,000	£230,000
Lambeth	£6,020,000	£4,030,000	£1,990,000	£20,000
Lewisham	£2,400,000	£0	£2,400,000	£250,000
London Legacy Development Corporation	£5,890,000	£1,950,000	£3,940,000	£330,000
Merton	£3,140,000	£1,910,000	£1,230,000	£180,000
Newham	£12,240,000	£5,690,000	£6,550,000	£130,000
Old Oak and Park Royal Development Corporation	£8,100,000	£0	£8,100,000	£5,430,000
Redbridge	£2,040,000	£1,680,000	£360,000	£0
Richmond upon Thames	£1,480,000	£1,150,000	£330,000	£150,000
Southwark	£22,950,000	£14,660,000	£8,290,000	£1,190,000
Sutton	£870,000	£740,000	£130,000	£0
Tower Hamlets	£56,050,000	£37,200,000	£18,850,000	£10,340,000
Waltham Forest	£13,860,000	£10,120,000	£3,740,000	£2,400,000
Wandsworth	£7,070,000	£5,050,000	£2,020,000	£140,000
Westminster City Council	£20,950,000	£6,720,000	£14,230,000	£1,620,000
Total	**£332,890,000**	**£187,230,000**	**£145,660,000**	**£44,490,000**