Historic England's response to the DESNZ working paper: Community Benefits and Shared Ownership for Low Carbon Energy Infrastructure

Question 1 – Do you agree with the principle that developers must provide community benefit funds? Please explain why/why not.

Agree – Historic England supports the principle of mandated developer provision of community benefit funds. The Clean Power Mission and the Government's target to approve 150 Development Consent Orders during this Parliament will inevitably result in a considerable number of communities needing to host low carbon energy infrastructure. Mandated community benefits can help to ensure that where infrastructure is necessary, communities will directly benefit from hosting it. Providing a clear and consistent approach will benefit both developers and communities – the working paper makes a clear distinction between community benefits sought via the planning process and any mandated community benefit, and this difference must continue to be clearly articulated in regulations for a mandated scheme.

We welcome the proposed principles of flexibility, community led, transparency, and lasting legacy outlined in the working paper and recommend these are retained in future regulations. This will allow for a wide range of community benefits, including those related to the historic environment/historic assets (both designated and undesignated), to be considered. As the government's statutory advisor on all matters relating to the historic environment in England, Historic England is keen to ensure that the protection and enhancement of the historic environment is fully considered at all stages of any community project from conception to delivery.

It is important that impacts on the historic environment are carefully considered, as our shared natural and cultural heritage are integral and mutually dependent elements of the places and landscapes that will host low carbon energy infrastructure. The most effective, efficient, and sustainable approach is to ensure that programmes and projects consider climate action, nature recovery, and heritage together. Historic England therefore endorses the principles of the emerging Land Use Framework (as stated in our recent consultation response on the topic) which proposes that an appropriate balance and an integrated, multi-functional approach should be taken for the provision of desired land uses, including for infrastructure and for the wider environment (Historic England, 2025a). The integrated nature of the historic, cultural, and natural environments is demonstrated through the Joint

Statement between Natural England, Historic England, and the National Lottery Heritage Fund, which recognises the complex interplay of habitats, species, geology, landscape, historic features, and cultural connections, as well as the crucial role that heritage management practices can play in nature recovery (NE, HE, NLHF, 2025).

Additionally, the Natural England publication, Nature recovery and the historic environment, details four principles for integration of the historic environment into plans for nature recovery: consider the historic environment from the outset; maximise environmental (including the historic environment) benefits; follow legal requirements, policy, and guidance; and avoid harm, minimise impacts and mitigate (unlike the natural environment compensation measures, which are mostly inappropriate for the historic environment) (NE, 2023). Wherever appropriate, projects undertaken via community benefit funds should be encouraged to integrate the ideas and four principles outlined above.

Due to the potential impacts that infrastructure projects can have on the historic environment (on assets both designated and undesignated, and on settings), we would ask that any community benefits have a focus around local heritage and the historic environment. Dedicating community funds to heritage and the historic environment has the potential to create a wide variety of benefits which, if undertaken in partnership with the local community, can enhance the economy, society, and environment in a local area. Such heritage-focused initiatives could include the repair, maintenance, and enhancement of historic structures, the protection and restoration of heritage at risk, the regeneration/reuse of vacant historic buildings of local significance, projects around historic landscapes, and projects improving public access to and appreciation of heritage assets and their settings.

Improvements funded by a mandated community benefits scheme should work in tandem with heritage funding generated by other mechanisms, such as the Community Infrastructure Levy; the potential of such mechanisms was described in a recent Historic England submission to Parliament (Historic England, 2025b).

Historic England would like to highlight here two particular benefits of investing in heritage as part of a mandated community benefit funding scheme:

(a) Improving the energy/carbon efficiency and climate resilience of the built environment

The working paper mentions that examples of funded projects could include “local energy efficiency improvements or measures to tackle fuel poverty”. Historic England strongly supports this proposal for funding retrofitting because it is essential that greater steps are taken to improve the energy/carbon efficiency and climate resilience of the national building stock, both to reduce whole life carbon emissions and to ensure our built environment is well-adapted to the threats posed by the climate emergency.

The urgent need to retrofit is widely recognised. In a recent Energy Security and Net Zero Committee report, evidence from Thermal Storage UK was cited which states that to meet our national target of Net Zero by 2050, over 350 homes must be upgraded every working hour on every working day for the next 27 years (ESNZ, 2025). Mitigation efforts must be delivered alongside work to adapt our built environment to the hazards posed by climate change. The recent Climate Change Committee Progress Report on Adaptation highlighted the fact that the UK’s work to adapt to climate change is falling short, and that a significant number of homes are at risk of flooding and overheating (CCC, 2025).

Devoting community benefit funds to retrofitting would be an effective way of catalysing much-needed action, and since 21% of domestic buildings were built before 1919, this will also serve to ensure that local historic buildings are made fit for the future (VOA, 2023) (Whitman et al, 2016). Due to the challenges associated with retrofitting rural properties, this funding could help fill an important gap, especially if the fund makes use of opportunities created by the new low carbon energy infrastructure that has been created nearby, e.g., installing heat pumps if the local Grid capacity is now sufficient to support such technologies. Historic England recognises the potential challenges associated with retrofitting historic buildings and has provided advice in our HEAN18 publication ‘Adapting Historic Buildings for Energy and Carbon Efficiency’ (Historic England, 2024a).

(b) Wellbeing benefits

Investing in the development/preservation of existing heritage assets can offer many community wellbeing benefits, such as nurturing a connection to place, and strengthening feelings of identity, belonging, and social connection – such effects are explored in detail on a recent Heritage Counts webpage (Historic England, 2023a). Heritage assets are not passive – they are unique symbols of local identity and can perform vital roles as community hubs, youth centres, and service/health activity providers. Such assets also offer a sustainable pathway to low-carbon solutions and community wellbeing through social prescribing, mental health support, and placemaking; heritage is also particularly successful in supporting people affected by poor mental health, loneliness, and dementia.

The potential contribution of heritage to wellbeing is profound. The Historic England report 'Heritage Capital and Wellbeing: Examining the Relationship Between Heritage Density and Life Satisfaction' (2024) showed that the overall wellbeing value for people's day-to-day encounters with heritage is estimated to be worth £29 billion every year in England. The report demonstrated that, as with the positive impact of green spaces on wellbeing, the very presence of nearby historic places benefits residents' quality of life (Historic England, 2024b).

Supporting heritage and Voluntary, Community, Faith, and Social Enterprise (VCFSE) organisations to develop the wellbeing offer for communities through long-term provision of activities like community archaeology, participation in conservation projects, and heritage volunteering could significantly improve quality of life and resilience of places. In addition, linking up investment in local heritage with support to address health and social inequality by prioritising areas and groups in greatest need will help deliver maximum public value and support positive public engagement.

Further specific examples, case studies, and evidence on how heritage delivers wellbeing benefits and can be used for health improvement can be found on the Heritage and Social Prescribing advice hub webpage and on Historic England's wellbeing and heritage webpages (National Academy for Social Prescribing, 2025) (Historic England, 2023b).

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Whitman et al, 2016 (2016). *Correlating Maintenance, Energy Efficiency and Fuel Poverty for Traditional Buildings in the UK – A scoping study funded by Cadw, Historic Environment Scotland and Historic England*. https://historicengland.org.uk/research/results/reports/7268/CorrelatingMaintenanceEnergyEfficiencyandFuelPovertyforTraditionalBuildingsintheUK.

Question 2 – Considering the policy parameters for the scope proposed above, what types of low carbon energy infrastructure should be included within the scope of the policy? Please provide your reasoning.

Historic England recognises that some technologies need further investment and development to reach operational levels, and mandating these for community benefits may not be desirable. As the working paper acknowledges, local communities and community acceptance of infrastructure is vital in order to achieve the ambitions of the Clean Power Mission. Engagement, certainty, and consistency are also vital to local communities. Even nascent technologies will impact local communities and as the technology develops, communities may consider some form of benefit appropriate. Any decisions on what is in or out of scope must be clearly communicated to communities and should also give an indication of when benefits may be forthcoming from nascent technologies. These benefits could be at a low rate for an agreed number of years, increasing as the technology becomes more established.

It is also worth considering how the historic environment can play an active role in the drive to Net Zero through the sensitive reuse and/or repurposing of historic assets. If this route is taken, the following types of infrastructure could be considered as within scope for community benefit funds:

(a) Local microgeneration

There is an opportunity to revitalise existing microgeneration infrastructure to provide low-carbon power to local areas, thus removing the need for new infrastructure which carries a financial, labour, and embodied carbon cost. The benefits of local microgeneration are

especially significant in isolated rural areas where grid connection could prove more challenging or costly.

Sites such as Fladbury Mill (Worcestershire) and Cragside's Archimedes Screw (Northumberland) are examples of historic assets that serve a modern purpose – local microgeneration of renewable power. Another example cited in a Historic England case study is Linton Lock Hydro (North Yorkshire) – once an 18th century lock and weir, the site was converted into a hydroelectric plant in the early twentieth century before falling into disuse. Following its renovation, it is once again a functioning hydroelectric generating plant capable of producing up to 380 kilowatts of electricity (Historic England, 2019). Sites such as these should be publicised more widely, supported, and renovated where they are present but disused.

For further information on this topic, please refer to Historic England's guidance on micro-hydroelectric power and the historic environment (Historic England, 2014).

(b) Reuse of sites for energy infrastructure

There is an opportunity to renovate currently unused industrial heritage to meet the needs of the Clean Power Mission, e.g., turning a derelict factory into battery storage (which would require minimal alterations to the building fabric). There are numerous benefits to this approach – if vacant structures were reused, then this would not only save the embodied carbon, finance, and labour needed to build new facilities, but would also provide much needed renewal in towns where industrial sites have fallen into disuse.

There are many such reuse opportunities across England. For example, the 2021 research 'Driving Northern growth through repurposing historic mills' reveals that there are 688 vacant/under-utilised mills across Greater Manchester, Pennine Lancashire, and Yorkshire, which combined represent around 3 million square metres of vacant floor space (Historic England, 2025).

For further information on this topic, please refer to Historic England's guidance on Electrical Energy Storage Systems and Batteries in Historic Buildings (Historic England, 2023).

In summary, when drawn on in an innovative and collaborative manner, the historic environment can make a positive contribution to the UK's decarbonisation agenda while also

ensuring that industrial heritage is preserved. If 'historic energy infrastructure' is regenerated and developed as part of the Clean Power Mission, it should be subject to the same thresholds as the new low carbon energy infrastructure discussed in this working paper.

References

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Historic England (2025). *New Homes from Vacant Historic Buildings*. https://historicengland.org.uk/research/heritage-counts/heritage-and-economy/vacant-buildings-to-new-homes/.

Question 4 – Do you agree that there needs to be provision for amending the scope of the policy in future to ensure that it can be adapted to fit future technological changes, and remains in line with the criteria set out above? Please provide your reasoning.

Agree – Historic England believes that there should be provision for amending the scope of the policy to enable adaptation to accommodate future technological changes. Any policy changes should be required to undergo a period of public consultation.

Question 14 – Do you have a preference for either of the proposed methods for calculating the level of contribution payable in respect of energy generating stations (i.e. by reference

to either installed capacity or generation output)? Are there any further considerations relating to either option which require exploration?

No. For greater clarity for local communities, it may be helpful to differentiate more between 'developer' and 'licence-holder'. Footnote 2 (on page 6) explains the difference, but this is not explained elsewhere in the working paper. Local communities may not appreciate the difference and be disappointed if/when community benefits expected from who they consider to be the 'developer' are not forthcoming.