

WINDFARM DEVELOPMENT ON COUNTY FARMS ESTATE

To: Cabinet

Date: 6th September 2011

From: Nicholas Dawe, LGSS Director of Finance & Alex Plant,
Executive Director Environment Services

Electoral division(s): Chatteris, Haddenham / Sutton (Covney), Norman Cross
(Farcet) and Littleport

Forward Plan ref: Not applicable *Key decision:* No

Purpose: To update Cabinet on the issues emerging from their
decision in February 2011 regarding windfarm
development.

Recommendation: To defer implementation of the February 2011 Cabinet
decision to progress with wind farm development on the
Council's Farms Estate

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1. BACKGROUND

- 1.1 On 22nd February 2011 Cabinet considered proposals to develop four windfarm sites on the Council's Farms Estate.
- 1.2 Cambridgeshire County Council has extensive land holdings of some 13,500 hectares (33,400 acres) throughout Cambridgeshire.
- 1.3 The objectives for the Farms Estate were approved by Cabinet in July 2006 and were examined by Corporate Issues Scrutiny in 2010/11 and their report with recommendations was considered by Cabinet in July 2011.
- 1.4 The objectives include encouragement of wider farm business diversification, maintaining and increasing rental income which is used to support other Council services. The construction of nine of the twelve turbines on the Red Tile Wind Farm at Warboys on Council property is helping to meet those objectives.
- 1.5 Cabinet in February 2011 resolved:
 - a) To grant leasehold interests of Cambridgeshire County Council land in four parishes for the development of windfarms on terms to be agreed by the Portfolio Holder for Resources and Performance and the Local Government Shared Services Director of Finance to include ensuring the developers engaged in pre-application protocols and also took into account appropriate wind turbine policies in the area and surrounding areas around windfarm locations;
 - b) To reserve the ability for the Council to invest in the wind farm developments and seek a further approval from Cabinet before investment;
 - c) To continue to investigate opportunities for other forms of renewable energy such as using solar photovoltaic technology.
- 1.6 The new Council leadership team have reviewed their approach to the wind farm proposals.

2. MAIN ISSUES

- 2.1 The February 2011 Cabinet decision followed three years of consultation including Members and Officers at County and District Council level and a market testing exercise to identify development partners. The February Cabinet decision in favour of the windfarm proposal was strongly debated with arguments both for and against.
- 2.2 Recent informal consultation with Members in the wards and adjacent to those affected by the windfarm proposals, revealed a range of views, both their own and that of the local community. The Farcet and Chatteris sites attracted mostly negative comments while the Covney and Littleport sites received mixed views with strong local concerns about the setting of Ely Cathedral.

- 2.3 Negative comments focussed on the view that Fenland had enough windfarms, on perceived wind turbine inefficiency and on the public's view that not enough of the financial benefits stayed in the local community. Positive views focussed on renewable energy helping to conserve fossil fuels. Most Members thought that more local financial benefit would lead to greater public support.
- 2.4 Before the February 2011 Cabinet decision discussions at a District Council level focussed on planning regulations and emerging policies to identify the most suitable sites from a long list of possible sites. Some sites were excluded as a result. At County Council level discussions focused on the possible contribution of the windfarms to local communities, biodiversity and the Council's climate change strategy.
- 2.5 **Climate Change implications.** The Climate Change Act 2008 is a legally binding commitment which requires the UK to reduce its CO2 emissions by 80% by 2050. Carbon budgets have been set to achieve this target and Local Authorities have a key role leading the transition to a low carbon economy. securing low carbon energy supply and affordable energy.
- 2.6 The Cambridgeshire County Council's Environment and Climate Change strategy identifies the need to increase the proportion of renewable energy produced and used in the County.
- 2.7 Strategic Objective 5 of the Council's current Priorities is "meeting the challenges of climate change and enhancing the natural environment".
- 2.8 Development of wind energy on County Council land will contribute to the UK's Renewable Energy targets. A target of 15% of total energy demand (electricity, heat and transport) to come from renewables. For electricity this translates to 35% of electricity to come from renewables by 2020.
- 2.9 **Financial implications.** The cost to date is less than £10,000 in fees and has been met from existing budgets.
- 2.10 Until planning consent is obtained, development on any site is uncertain. However if wind farm development proceeded on all four sites over the twenty-five year life of the leases the Council's income would peak at close to £900,000 per annum, unadjusted for rent reviews or inflation. In addition there would be direct payments by developers into local community funds of about £80,000 per annum. There are also Government proposals to allow local authorities to retain all of the business rates from wind farm sites in their area.
- 2.11 Revenue from the windfarms had not been included in the Council's long term Integrated Plan.
- 2.12 Wind farm development has been included in the Economic Prosperity programme under the heading "Stimulating the local economy".
- 2.13 In May 2011 the East of England Renewable and Low Carbon Energy Capacity study, supported by the Department of the Environment and Climate Change, was published. This identifies the resource potential for Cambridgeshire across a range of renewable and low carbon technologies and has mapped

Cambridgeshire's potential. Cambridgeshire Horizons is leading a project called the Cambridgeshire Renewables Infrastructure Framework (CRIF) on behalf of its partners. This project is looking in depth at the renewable and low carbon energy opportunities in Cambridgeshire to identify a menu of opportunities in the county to help plug the energy supply gap that is currently predicted for 2019 onwards. The CRIF will identify three delivery pathways including a community, commercial and public sector pathway to support the delivery of low carbon infrastructure. The first stage of the work is assessing the baseline energy demand in Cambridgeshire and this information will be shared with Members on 28th September 2011 at a meeting on the CRIF.

- 2.14 On the basis that there is a natural limit for windfarms within the County a pause by the Council will allow other landowners to promote their sites. The prospect of the Council being able to promote successfully windfarms on its land in the future is significantly reduced.
- 2.15 In addition, if the Council should wish to develop windfarms in future it will be necessary to remarket the sites or to find other sites.
- 2.16 Wind farm developers had been selected and were ready to sign up to Exclusivity Agreements as a precursor to more detailed investigative work such as environmental assessments and other pre planning application investigations and public consultation. They have been notified of the Council's intention to pause development for a number of years and no penalties are anticipated.
- 2.17 Several tenants, with the Council's encouragement, have been investigating the potential for small scale wind turbines on their holdings. One tenant was looking at a 100m tall but most were looking at 20m turbines which are smaller than a telecommunications mast. These capitalise on Feed in Tariffs which are expected to change in April 2012 and are considered by many to be an excellent business opportunity and are mostly receiving planning consents from District Councils.
- 2.18 It is also proposed that these developments are halted too. These have less of a visual impact than full size wind turbines and produce good financial returns for both the tenants and the Council. It is proposed to reimburse one tenant's abortive costs for feasibility work which will be in the region of £5,000.
- 2.19 Progress is continuing with solar photovoltaics with a tender underway for panels on eight barns with completion by the end of the year. This will be funded through the Better Use of Property Assets programme.

3. ALIGNMENT WITH PRIORITIES AND WAYS OF WORKING

3.1 Supporting and protecting vulnerable people when they need it most

There are no significant implications for this priority.

3.2 Helping people live healthy and independent lives in their communities

There are no significant implications for this priority.

3.3 Developing the local economy for the benefit of all

There are no significant implications for this priority.

3.4 Ways of Working

There are no significant implications for this priority

4.0 SIGNIFICANT IMPLICATIONS

4.1 Resource and Performance Implications

The report above sets out details of significant implications in 2.09 - 2.19
Although windfarm development brings some direct benefit for local contractors and suppliers the main benefit forgone by pausing the development is the revenue paid as community benefits and payments direct to the Council for the benefit of the wider Cambridgeshire community.

4.2 Statutory, Risk and Legal Implications

There are no significant implications for any of the prompt questions within this category.

4.3 Equality and Diversity Implications

There are no significant implications for any of the prompt questions within this category

4.4 Engagement and Consultation

There are no significant implications for any of the prompt questions within this category

Source Documents	Location
Cabinet paper on Windfarm development 22 Feb 2011 – Agenda item 9	http://cccs086/db/council2.nsf/e0c624b01b2e9ade80256b14004eb73b/164eb292f670de09802578340055408d?OpenDocument
Cabinet Decision Statement 22 February 2011-	