

# Environment and Green Investment Committee

Date: 16 March 2023

Time: 10.00am – 12.05pm

Venue: New Shire Hall

Present: Councillors L Dupré (Chair), N Gay (Vice Chair), A Bradnam, S Corney, P Coutts, S Ferguson, I Gardener, R Hathorn, J King, B Milnes, C Rae and M Smith

## 122. Apologies for Absence and Declarations of Interest

Apologies were presented on behalf of Councillors Gowing and Tierney.

## 123. Public minutes of the Environment and Green Investment Committee meeting held 19 January 2023 and Action Log

The public minutes of the meeting held on 19 January 2023 were agreed as a correct record and the action log was noted.

## 124. Petitions and Public Questions

No petitions or public questions were received.

## 125. Operation & Maintenance contracts for large energy infrastructure projects

The Committee considered a report proposing that Operation and Maintenance (O&M) contracts be negotiated, entered into and executed with Bouygues Energies and Services Ltd (BYES), for specific major Council energy infrastructure projects due for completion in 2023 to prolong the life of these projects and maximise their performance. The current framework contract under which these projects had been developed, includes a mechanism that supports the award of O&M arrangements. It was recommended that this was awarded for four years initially.

Bouygues were already providing this O&M service on Triangle Solar Farm, which was working well. They had designed and built the energy systems at North Angle Solar Farm, and Babraham Road and St Ives Park & Ride Smart Energy Grids, and it was proposed that the O&M contracts were extended to these sites. The investment cases for the projects include the O&M costs, but a delegation to award and execute O&M contracts was now required. A further decision was required relating to spare parts and replenishment costs on the projects named above, and the benefits of these arrangements were detailed. It was also recommended that the inverter warranties for North Angle Solar Farm were extended

from five to ten years. These arrangements had the benefit of minimising periods of down time which impacts on income.

Arising from the report, a Member observed that the Council had a considerable commitment with Bouygues. She asked if Bouygues were sufficiently resilient, and whether appropriate due diligence had been carried out. Officers agreed that there was considerable commitment with Bouygues, but they were reassured with their performance on Triangle Solar Farm. Due diligence on Bouygues as a company had been carried out as part of the procurement process when seeking an energy services company. Discussions with other local authorities indicated that many had experienced significant difficulties with their O&M contracts with other organisations. The four-year shorter initial period would give the Council the flexibility to review the contract and consider options for consolidation with the Triangle Solar Farm O&M as a medium term strategy.

In response to a question on whether warranty arrangements could be extended beyond ten years, it was noted that this had been put forward as the maximum available.

It was resolved unanimously to:

- a) approve extending the warranty on inverters for the North Angle Solar Farm from five to ten years at a cost of £220,000 as set out in paragraph 2.6;
- b) approve the £140,000 of lifecycle replenishment costs (LIFEX) to purchase spare parts for North Angle Solar Farm and its Private Wire; Babraham Road Smart Energy Grid and St Ives Smart Energy Grid as set out in table 2;
- c) delegate authority to the Executive Director, Place and Sustainability in consultation with the Executive Director of Finance and Resources, and the Chair and Vice-Chair of Environment and Green Investment Committee to authorise the entering into and execution of 4-year Operation and Maintenance contracts with Bouygues Energies and Services for North Angle Solar Farm, its Private Wire; Babraham Road Smart Energy Grid and St Ives Smart Energy Grid; place orders for spare parts to be used during the operational phase for these schemes and secure extended warranties for the inverters at North Angle Solar Farm.

## 126. Renewable energy export arrangements for the Council's large renewable energy projects

The Committee considered a report which proposed a route for optimising income and reducing risk for the Council in relation to the sale of electricity to the grid from its large renewable energy capital projects, by managing the Power Purchase Agreement (PPA) export contracts for those assets.

Members noted that when the large renewable energy capital projects were complete and the Council was looking to export the energy generated, PPAs are the mechanisms for agreeing these arrangements.

Members noted there are some PPA arrangements already in place (Triangle Solar Farm, St Ives and Babraham Smart Energy Grids), and further PPAs were proposed for 2023 for Triangle Solar Farm, North Angle Solar Farm and a short term grid based contract for St

Ives Smart Energy Grid). Officers detailed how export and import contracts work, and explained 'netting off', where the Council can potentially self-supply if the import supplier also provides PPAs. However this netting off only applied where supply and demand profiles match. Where direct matching does not occur, there was a requirement to import or export through separate contractual arrangements.

A Member asked if the takeover of Mick George Ltd by Hansons impacted on the PPA. Officers advised that this conversation had taken place and the Council has been reassured that the PPA contract would transfer over to Hansons.

A correction to the recommendation was noted (additional text in bold font):

*b) delegate the decision to enter into **and execute** Power Purchase Agreements (PPAs) for the large energy projects to the Executive Director Place and Sustainability in consultation with the Executive Director of Finance and Resources, and the Chair and Vice Chair of Environment and Green Investment, on the basis of specialist energy market advice to inform decisions*

It was unanimously resolved to:

a) agree the plan for managing income contracts for the large energy projects as set out at paragraph 2.10;

b) delegate the decision to enter into and execute Power Purchase Agreements (PPAs) for the large energy projects to the Executive Director Place and Sustainability in consultation with the Executive Director of Finance and Resources, and the Chair and Vice Chair of Environment and Green Investment, on the basis of specialist energy market advice to inform decisions

## 127. Update on delivery of the Climate Change and Environment Strategy (CCES) Action Plan

Members received an update on progress made delivering the 2022 Climate Change and Environment Strategy Action Plan.

Members were reminded that the Climate Change and Environment Strategy had been approved by full Council in February 2022, and covered three areas – mitigation, adaptation and natural capital. Alongside the Strategy, an Action Plan had been approved as a “live,” document. In the current RAG status methodology, 58% of actions were Green (progressing well) and 36% were Amber (progressing, but more slowly). The remaining three actions were Red, where delivery had not commenced or unable to progress any further, and the reasons were detailed in the report. Approval was sought to bring some of the actions together, or to amend actions to reflect a wider strategic approach, mainly because knowledge and understanding had evolved since the Strategy had been approved.

To improve progress reporting, a new impact/risk based approach was proposed to Committee, to provide a more dynamic view of progress, effectively turning the action plan into a set of mitigating actions to achieve the targets in the Strategy. This provided an assessment of the effectiveness of the mitigating actions proposed and how far they get the Council on the journey to achieving the target. It also allowed strategic interventions to be planned to achieve the targets. The logistics and benefits of this approach were outlined. This method would look very different i.e. far more Reds and Ambers at the outset, reflecting the nature of the Net Zero challenge, the timescales for delivery and the impact

each action has on achieving the desired outcome. This risk based reporting approach would mean that progressing towards Green comes only as carbon reductions actually decrease, and provided a truer reflection of the scale and pace of change to deliver the Council's ambitions.

Arising from the report:

- a Member observed that the proposed new risk-based approach, which may be better, was initially quite confusing. Officers agreed, and commented that communications would be key when introducing this new approach and it is a different way at looking at the action plan and but could be transformational in helping inform decisions;
- a Member observed that District Councils have grant schemes for EV charging points: there was reference in the report to creating a joint policy with the Combined Authority (CPCA) and the Greater Cambridge Partnership, but fragmentation in reporting from different organisations could be an issue. Officers advised that the emerging joint EV strategy had arisen for two reasons: (i) to flesh out CPCA Plans with specific detail on what would and would not be done in Cambridgeshire; and (ii) because the emerging trend from government was that to secure funding, there needed to be an associated strategy in place. The Strategy was currently going through the CPCA's governance processes. It was anticipated that there would be some government funding to increase local authority capacity, providing additional resource so that EV chargepoints could be rolled out at scale and as equitably as possible. It was confirmed that government had reduced the need to apply for its LEVI (Local Electric Vehicle Infrastructure) Capability Fund, by allocating the funding at Combined Authority level. With regard to differing technologies, the approach was to identify the technologies that were most appropriate for different Cambridgeshire locations;
- a Member noted that some items, e.g. Sustainable Travel Plan, were flagged up as Red in the new approach, and the public may perceive the Council as being "at risk", and this could increase public anxiety. Officers agreed that it was vital to ensure appropriate communications, and the approach needed to reflect the Council's commitment to actions that would have the most impact. Attention was drawn to Appendix 3, the Impact Assessment, where the targets were long term and very challenging. The proposed risk based approach was a much more profound way of monitoring actions, and assessing the effectiveness of actions. The Member praised the proposed approach and commented that it would enable both Members and officers to understand progress towards targets, and not give false reassurances or complacency due to "greenwashing";
- a Member observed that 'Nature' had been omitted from the reworded Action 14. It was noted this was an oversight, and this would be addressed. **Action required;**
- a Member commented the number of Reds in the new risk based approach seemed overwhelming. It was noted that the actual numbers were included in the Risk Matrix, and whilst progress may be made, the RAG rating status may remain the same. As part of the refinement process, officers could work out how best to represent this information, both in RAG ratings and numbers, where progress was being made;
- a Member asked if it would be possible to provide a breakdown at a District level. Officers advised that this was challenging as there were different priorities in different areas of the county e.g. peat in Fenland, major transport/traffic issues (A14/M11) in the south of the county. Officers advised that District authorities had their own strategies

and would be reporting on their progress against those strategies, and comparisons were difficult at a strategic, County level. The Member commented that it would be useful to know whether the information was consistent across Districts and County, to give residents confidence on the data being provided on carbon reduction. Officers advised that a data group was being set up through the Combined Authority, as it was important to align reporting and data quality, whilst recognising that authorities set targets to reflect different priorities in their areas;

- It was noted that the information would be reviewed annually, to allow sufficient time to embed actions. However, an update would be presented to Committee in six months' time, to inform the Business Planning discussion. The Strategy itself was unlikely to change significantly, as it reflected higher level ambitions, albeit that the Action Plan was a live document that would be frequently updated.

It was resolved unanimously to:

- a) note progress delivering the CCES Action Plan including the challenges highlighted in section 2;
- b) approve suggested updates to the Action Plan set out in paragraph 2.2;
- c) support the development of a new risk-based approach for future progress reporting as set out in section 3 and bring a further progress report in the new format in six months to Committee to inform business planning.

## 128. A Community Energy Policy for the Council

The Committee considered a proposed Community Energy Policy, setting out how the Council would seek to support and collaborate with communities to develop energy projects to benefit from the energy transition and build greater local energy resilience. To manage a wide range of potential community energy projects, a principles-based approach to the Policy was proposed, to steer collaborations with the community. The report also sought approval for the proposed next steps, if the Policy was adopted.

Members were reminded that community energy projects were chiefly renewables based, and this sector had been growing up until 2018, when certain incentives were removed nationally. However, there now appeared to be a national policy change in favour of community energy. In January 2023, MP Chris Skidmore's Net Zero Review provided an in-depth analysis of community energy and discussed the increasing need for 'deeper devolution', and proposed that the government should publish a Community Energy Strategy. There was also a potential national policy change with regard to onshore wind. The reasons for taking a proactive approach for developing a Community Energy Policy were outlined.

Arising from the report:

- a Member observed that the legislation to make the necessary changes for onshore wind was being fast-tracked, and should be in place by autumn. He asked officers for their views on being ready with potential sites. Officers commented that one of the challenges was that the proposed new community energy incentives related to schemes that were less than 5MW, and they would also be subject to Local Planning policies, and not all Local Plans would be updated to reflect nation planning policy guidance. It was

noted that Local Plans usually took precedence, but this could change, as the detail was not yet available. It was acknowledged that there was a huge variation in Local Plans. The intention was that communities were placed at the heart of Local Area Energy Planning, which would identify the potential renewable energy, retrofit, storage and grid infrastructure requirements needed for Cambridgeshire to achieve net zero. There were publicly available datasets which would assist in identifying opportunities for community Energy projects;

- a Member observed that the word “community” was rather loosely defined, and asked officers for an indication on the size of communities that might engage with the County Council on this, and what governance arrangements might apply. Officers advised that as part of the Strategy, they would review the best type of interventions. Often community energy schemes started with a few active people, and were subsequently incorporated into Community Interest Companies or co-operatives, which would be the body that the Council would liaise with. Some small schemes may be quick to deliver and address issues such as fuel poverty, and were low impact in terms of officer input, whereas larger schemes may be more resource intensive but provide other benefits. It was noted that “communities” were not necessarily exclusively geographic, e.g. the Council’s own farm tenants, who were generally extremely interested in such schemes;
- a Member asked about the constraints within the UKPN grid, and what opportunities there were to influence this. The Member noted there were examples of zero carbon developments, with smart devices in homes in other parts of the country, but those type of developments required extensive collaboration between the relevant agencies and organisations. Officers explained that UKPN are a key partner in Local Area Energy Planning (LAEP) and that the infrastructure requirements would feed directly into their business plans to help plan for the changes ahead. By introducing the LAEP and community energy and strengthening the collaborations with UKPN that this will improve. It was anticipated that a really interesting range of schemes could come forward: Community Energy had started with established technologies, and was now moving into areas such as batteries and balancing as technologies evolved, which was why it was important to put these at the centre of the LAEP;
- a Member noted that some communities may struggle to be sufficiently proactive, notably smaller communities which may be the most vulnerable, isolated and likely to benefit. Conversely the opposite was also true, as larger communities often dealt with an enormous amount of consultations and issues, and setting up a community energy project on top of those other issues may be too onerous. She asked if the Policy would be able to assist at both ends of this spectrum? Officers confirmed that the focus was on a Just Transition, i.e. what additional support was needed for different communities and contexts and this would be addressed as part of the Strategy. The Member observed that the Council needed to also be working with developers, encouraging them to take a strategic approach at the planning stage;
- a Member asked if officers from the communities teams would be involved? Officers confirmed that this would need to be an organisational approach and not just the Climate and Energy teams bringing in the skills and capacities across the organisation to align and support communities. This touches on devolution, economic development and creating a local energy economy (community wealth building) as well as addressing future fuel poverty. Projects would look to cover clean heat, renewables for electricity, energy efficiency retrofits as well as the commercial benefits from local community tariffs where projects are hosted by a community;

- a Member commented that exemplars were often very helpful.

Councillor Ferguson declared an interest as a former member of Waterside Green Energy.

A Member commented that the key consideration was not setting the criteria too low. Two Members outlined their experiences of community energy schemes.

It was resolved unanimously to:

- a) approve the Community Energy Policy as set out in section 2.5;
- b) agree the next steps as set out at 2.6.

## 129. Cambridgeshire Private Electricity Network: Legal Agreements

Members considered a report that sought approval to enter into and execute all necessary legal agreements and related documents to enable the construction of the Cambridgeshire Private Electricity Network (CPEN) project, which was the Private Wire connections which linked North Angle Solar Farm, via Burwell Local, to the Swaffham Prior energy centre.

The Chair advised that she had accepted this report as a late item, for the following reasons:

Reasons for Lateness: the Council is now in a position on the private wire easement negotiations that option agreements are coming forward for signature. Committee agreement is required to execute the various legal agreements.

Reasons for Urgency: Execution of the options, deeds and other agreements are likely to start in April, and the current delegations do not include the execution of agreements.

Since publication, all internal consultees had approved the report.

The Committee noted that the confidential land negotiations for the route of the Private Wire Network were now at the point where the Council needed to issue the necessary notices, and enter into and execute a range of agreements including options, leases, subleases and deeds of easement, and any other relevant agreements, to secure the route for the construction of the Cambridgeshire Private Electricity Network.

It was resolved unanimously to:

delegate the decision to issue the necessary notices, enter into and execute all legal agreements as necessary for the Cambridgeshire Private Electricity Network to the Executive Director Place and Sustainability in consultation with the Executive Director of Finance and Resources, and the Chair and Vice Chair of Environment and Green Investment Committee as set out in paragraph 2.1.

### 130. Procurement on Reletting the Cambridgeshire County Council Framework for Commercial Archaeological Fieldwork

Members considered a report on the reprocurement of the current Archaeological Services Framework, to enable the provision of archaeological work to support the Council's new developments in Cambridgeshire.

Councillor Dupré declared a non-pecuniary interest, as her brother was an archaeologist who works on pre-development digs, but she did not know if he was involved with any of the organisations referred to in the report.

As a developer, the County Council had to abide by the National Planning Policy Framework and associated guidance, which involved considering the historic environment and undertaking any archaeological work in advance of, or as part of, the development process. The Council had operated such a framework since 2008. This was mainly done by commercial companies, and around 200-300 such surveys or excavations took place across the county each year, as part of both private and public development. The value of the framework was estimated at £2.5-3.5M in total. The current contract would expire in August 2023. Over the proposed new contract period there was expected to be a continued requirement for Archaeological Services owing to increased growth, projects managed through the Greater Cambridge Partnership (GCP), and Combined Authority projects in development. The GCP recognised the value of this framework, and had asked the County Council to maintain it. Unlike the previous procurement exercise, bidders would also be assessed on their commitment to delivering a 'Net Zero' Cambridgeshire and also on the social value of their proposals.

A Member asked under what circumstances the County Council, as a developer, would need to engage an archaeologist? It was confirmed this related to County Council developments such as schools, waste sites and road schemes. The greatest user of the framework was currently the GCP, e.g. for the Cambourne to Cambridge Busway route.

It was resolved unanimously to:

- a) agree the reprocurement of the Archaeological Services Framework for a period of four years to 2027;
- b) agree that delegated authority be granted to the Executive Director (Place & Sustainability) to award the framework to the preferred bidders and execute the agreement in consultation with the Chair and Vice Chair of the Committee.

### 131. Response to Anglian Water's Water Resources Management Plan 24

The Committee considered the proposed County Council response to Anglian Water's 'Water Resources Management Plan' (WRMP24), currently open for consultation until 29/03/23

Water companies were required to publish a Water Resources Management Plan every five years. These Plans set out how they would be dealing with the water supply, and the consultation set out the six aims and four main areas which would form the core of the Plan. A key theme of the Plan was that reservoirs would be the main water source, but the consultation was not asking for specific comments on the locations of those reservoirs. Reservoirs were considered to be a "low regret option" even if factors such as Climate Change and population change significantly. The Plan touched on the ambition to keep



abstraction within historical levels, and for the customer to pay on the basis of the water use. It was noted that unmetered customers use 170 litres per head per day compared to 125 litres for those that were metered. The consultation acknowledged the impact this would have on those who had no alternative but to use a lot of water. Further evidence had been requested about the need for compulsory metering, and the full equality impacts of that proposal.

Arising from the report:

- a Member asked if a response was likely from the County Council's consultation response, where questions had been asked? Officers confirmed that Anglian Water would provide an overall response, but may not respond to individual questions raised;
- noting the comment "*Anglian Water suggest the approach will keep bill impacts as low as possible.*", a Member asked if Anglian Water could be asked to ensure they keep the bills as low as possible. Officers confirmed that they could adapt the response to that particular question, requesting that Anglian Water keep bills as low as possible;
- noting the comment "*Anglian Water pledges to give up 85 megalitres (85 million litres) a day of abstraction licences by 2025*", a Member observed that chalk water abstraction had been highlighted as a major cause of concern, especially in East Anglia. The Member asked how much of total abstraction 85 megalitres represented. Action required;
- a Member commented that reservoirs needed to be located in areas which would not be subsequently inundated at a later date, and asked if the reservoirs were really a "low regret" option? Officers agreed that the consultation response could ask that the location of reservoirs covered all potential impacts, not just where they needed to be for the supply of water;
- noting that Anglian Water had been the subject of considerable negative press coverage over recent years, in relation to shareholders' dividends, chalk water abstraction, and sewage, a Member felt the draft response was excellent, but urged caution when working with a commercial company whose main loyalty was to shareholders. Whilst reservoirs had many benefits, the Member also observed that there were considerable engineering challenges building large reservoirs in fens. Another Member agreed, and noted that dialogue between Anglian Water and groups such as the Middle Level Commissioners should be encouraged.

It was noted that there were a number of suggested changes raised by Members in the comments above, and the final response would be updated accordingly. These minor changes were covered by the delegation in recommendation (b).

It was resolved unanimously to:

- a) consider and approve the response to WRMP24 as appended to the report;
- b) delegate authority to the Head of Service – Natural and Historic Environment to make minor final amendments to the response in consultation with the Chair and Vice-Chair ahead of submitting to Defra by 29th March 2023.

## 132. Corporate Performance Report

The Committee received an update on the selected Key Performance Indicators (KPIs), as agreed at Committee in September 2022. The KPIs presented covered the period up until the end of December 2022.

It was resolved to note and comment on performance information and take action as Necessary.

## 133. Finance Monitoring Report – January 2023

The Committee received the January 2023 Finance Monitoring Report.

Across the Place & Sustainability Directorate, there was a forecast overspend of £214K as at the end of January, with the main variances relating to a delay in the income and maintenance costs in relation to North Angle Solar Farm, and waste pressures related to landfill gate fee pressures. In terms of Capital variances, the significant changes related to Swaffham Prior Community Heat Scheme, Babraham Smart Energy Grid and North Angle Solar Farm.

The Committee resolved unanimously to review, note and comment upon the report.

## 134. Environment & Green Investment Committee Agenda Plan and Training Plan and Appointments to Outside Bodies and Internal Advisory Groups and Panels

The Committee reviewed the Committee Agenda Plan. In terms of additions to the Agenda Plan, it was noted that there would be an update on the delivery of the Climate Change and Environment Strategy (CCES) Action Plan at the September meeting. It was also noted that there would be a Special meeting of the Committee on 22<sup>nd</sup> March, to consider a Waste PFI update.

The Waste Member Steering Group had at a recent meeting recommended a wider membership, to include the County Council's RECAP representative, Councillor Hathorn.

It was resolved to:

- a) note the agenda plan;
- b) confirm the appointment of Councillor Hathorn to the Waste Member Steering Group.

# Environment and Green Investment Committee

Date: 22 March 2023

Time: 10.00am – 12.15pm

Venue: New Shire Hall

Present: Councillors N Gay (Chair), P Coutts, N Gough, J Gowing, R Hathorn, E Murphy, C Rae and G Seeff

## 135. Apologies for Absence and Declarations of Interest

There were no apologies for absence.

Councillor Hathorn declared a non-pecuniary interest as the County Council's representative on the RECAP Board.

## 136. Exclusion of Press and Public

It was resolved that the press and public be excluded from the meeting on the grounds that the agenda contains exempt information under Paragraphs 3 & 5 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended, and that it would not be in the public interest for this information to be disclosed - information relating to the financial or business affairs of any particular person (including the authority holding that information), and information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

## 137. Waste PFI Update

Members considered an update on Waste PFI issues.

It was resolved unanimously to agree the report recommendations, as amended.