

Environment and Green Investment Committee

Date: 16 December 2021

Time: 10.00am – 11.40am

Venue: New Shire Hall

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

33. Apologies for Absence and Declarations of Interest

Apologies for absence were received from Councillors Tierney, Gowing (Councillor Hay substituting) and Goldsack.

Councillor Hay advised that she was asthmatic and would not be able to wear a face covering throughout the meeting.

There were no declarations of interest.

34. a) Minutes of the Environment & Green Investment Committee

The minutes of the meeting held on 16th November 2021 were agreed as a correct record.

b) Environment & Green Investment Committee Action Log

The Action Log was noted.

35. Petitions and Public Questions

No petitions or public questions were received.

36. Babraham Smart Energy Grid – Updated Investment Case

The Committee received a report detailing the updated investment case for the Babraham Smart Energy Grid.

Members were reminded that the investment case for this project had been approved by the Environment & Sustainability Committee in March 2021. At that meeting, Members had delegated the final decision on the works contract to the Executive Director and Chief Finance Officer, in consultation with the Committee Chair and the Green Investment Advisory Group, which was a Member group. More recently, the finalised costs had been received and capital costs substantially increased, so officers were presenting the revised investment case and increased borrowing requirement, for approval.

It was noted that the increase in costs had been caused by significant volatility in markets and supply chains. It was also noted that electricity costs had increased, which had a positive impact on business case, but it was unlikely that the current high prices would be

sustained. The report set out progress made with this project to date and the timescales looking forward, including the PPA (Power Purchase Agreement) with Cambridge University Hospital Trust (CUHT). It was noted that the PPA was bi-directional, and enabled the smart energy grid to import electricity from the CUHT when there was insufficient generation, or when maintenance was required. This two-way supply of electricity was necessary as the smart energy grid would not be connected to the national grid. Whilst costs had increased significantly and there were risks, there were also opportunities, especially in the longer term e.g. from the battery storage and EV charging points.

In response to Member questions:

- It was noted that the prices quoted in the report were incorrect, and should read 5.5p/kWh and 20p/kWh respectively;
- With regard to the two-way supply arrangement set out in the PPA, it was confirmed that each organisation would bill the other separately. The mechanics of the modelling of costs between the two organisations were detailed;
- It was confirmed that Babraham and St Ives projects were both in the preconstruction phase, although the St Ives project was fractionally ahead in terms of contract development and procurement, and lessons learned from the St Ives project were being factored into the Babraham project e.g. further ground surveys of the car park had been commissioned in to the business case;
- A Member asked whether the EV chargers were fast chargers, and what actions could be taken to ensure EVs were not occupying the charging spaces when not charging. It was confirmed that this issue would be picked up as the project progressed, and that the software for EV chargers could factor in idling charges. It was confirmed that currently only slow chargers were planned in the short term, but the number was increasing;
- Speaking as a Local Member, Councillor Milnes welcomed the report, and whilst disappointed in the escalating costs, acknowledged that these were due to wider economic issues. He was pleased to note that the excavation works to bury the cable had been scheduled at the same time as the replacement of the gas main;
- It was noted that the additional prudential borrowing was dependent on approval by the Strategy & Resources Committee but could be included in the 2022/23 Business Planning cycle, as it would not be required in the 2021/22 financial year;
- The project costs could only be held to the end of December 2021 to allow the Committee approval process. It was confirmed that the contract would be monitored closely through the Green Investment Advisory Group.

It was resolved unanimously to:

- a) Note progress with the project;
- b) Approve the investment case for the Babraham Road Park and Ride Smart Energy Grid project as set out in section 3.4 of the report;

- c) Recommend the additional prudential borrowing of £1.2M to Strategy & Resources Committee;
- d) Approve a Letter of Intent to place orders for materials and equipment to secure the costs that have come through from the procurement process;
- e) Approve entering into a construction contract with Bouygues Energies and Services for the delivery of the scheme.

37. Environment Fund – Resourcing Low Carbon Delivery

The Committee considered a report which sought approval of additional resources to reduce both the Council's and Cambridgeshire's carbon footprints, as set out in the Climate Change and Environment Strategy.

Members were reminded that the Council had approved a £16M capital Environment Fund at Full Council in February 2020, to reduce the Council's carbon footprint and that of the wider Cambridgeshire area. Approval was sought to draw down funding to resources additional capacity and skills which were needed in the energy services team to support the delivery of the pipeline of projects, including energy projects such as renewable schemes at schools and other Council sites. The team was looking to recruit officers with additional skills and capacities that would support these ambitions, including engineering and constructions skills, contract management skills, etc. The service generated income for the Council and had also successfully applied for grants, including the Public Sector Decarbonisation Fund.

The second proposal included in the report related to £15,000 gap funding required for the Cambridge EV Chargepoints project, which was a collaborative project with Cambridge City Council.

Arising from the report:

- A Member queried the 50% profit share with bpChargemaster for the EV charging project. It was noted that the City Council was providing the bulk of the match funding that was required to secure grant funding, and that bpChargemaster would be providing the rapid chargepoints across the two areas for free, and would also be undertaking all operational maintenance for the contract. The only income bpChargemaster would be receiving was the 50% profit share;
- Noting that the EV chargers were based in Cambridge, a Member asked if there was any intention of extending this to other places in county. Officers confirmed that the Cambridge project had been a valuable learning exercise on EV charging, especially on-street EV charging, and that whilst the team had aspirations to do projects across the county, there were no firm plans currently. More strategically, the Combined Authority would be bringing forward its Local Transport and Connectivity Plan next year, and the EV charging structure would be reviewed at that stage;
- In response to a Member question, it was confirmed that the £570K resource requirement was to ensure there were enough skilled officers available to deliver projects and maximise benefits to the Council. The Chair observed that the additional resource capacity would ensure that the team could continue to bring in significant income, as well as environmental benefits to the Council;

- A Member observed that “first connector costs” could be significant, and asked how this pressure was being managed. Examples of where progress was being made on this issue were outlined, but officers confirmed that grid connections continued to be a significant cost;
- A Member asked if there was any relationship between these proposals and the two additional substations being considered by the Greater Cambridge Partnership (GCP). Officers advised that a report had been commissioned three years ago regarding the additional capacity required to decarbonise new homes, electrify transport systems and retrofit older homes in Greater Cambridge. A tripling of electricity demand was forecast and this work was now being progressed by the GCP;
- A Member asked about the potential impact on bus charging in terms of the availability of the electricity supply at St Ives Park & Ride. Officers advised that modelling work was being undertaken currently with regard to the Babraham Park & Ride site, and that information could be shared with the St Ives project once available. A particular issue was whether there would be capacity for two 250KW chargers to be operational concurrently;
- A Member asked if anything could be done nationally, such as lobbying, with regard to the first connector issue, with a view to a more equitable division of costs. Officers explained that UKPN were currently going through a new business plan process with Ofgem. Members were also briefed on the “Plug and Play” innovation from UKPN, noting the issues with this approach - although big upfront connection costs were avoided, curtailment of the generation was likely and this could impact on the viability of projects.

The Chair concluded by saying that these were exciting proposals, especially the staffing proposal, as this would enable the Council to significantly increase activity and bring in further grant funding, to address climate change issues across the county.

It was resolved unanimously to approve drawdown of approved capital Environment Funding to support:

- a) Additional staff resources totalling £570,000 over 4 years to deliver low carbon and energy capital projects as described in paragraphs 2.3-2.5 of the report;
- b) Grid connection costs of up to £15,000 for the Cambridge EV chargepoint project as set out in paragraph 2.7 of the report.

38. Review of the Climate Change and Environment Strategy

The Committee considered a report detailing the Service Committee review of the Climate Change and Environment Strategy, for comment and recommendation to full Council so it gets adopted as corporate strategy.

Introducing Appendix 1, officers explained that this was the high level strategy document. In addition to the Climate Change team, colleagues from the Business Intelligence

directorates had assisted in the development of the Strategy, using behavioural insights to ensure the document was sufficiently engaging for communities and businesses.

Appendix 2 provided a more technical approach, providing the detail behind the priorities, and colleagues across the Council had commented on the draft.

Appendix 3 was the live action plan, showing how objectives could be delivered, and what the Council needed to achieve. It was acknowledged that the action plan was a live document that would change as circumstances evolved, given the fast pace of the climate change debate.

Officers highlighted the following four key points relating to the Strategy:

- The importance of aligning actions in terms of both internal and external delivery, and across the organisation, recognising that some areas were more challenging than others;
- The Strategy needed to be enduring, adaptable and responsive, especially given the pace of change of policy and direction on a national basis;
- The importance of being open to ideas, i.e. open to learning from colleagues, Members, partners, residents and businesses, to accelerate the pace and scale of change, as everyone is working on addressing climate change challenges;
- The value of facilitating better choices – individuals and businesses make so many choices about everyday matters e.g. travel, energy, holidays – all of which potentially impact on climate change. The Council needs to support communities and businesses by providing the best information to support decision making.

The Strategy was supported by numerous documents including the Annual Carbon Footprint, and a communications and engagement plan would also be developed. Officers gave a specific example from the Adult Social Care team where colleagues had been looking to reduce car usage by contractors, and the implications of that in terms of how the Council does business.

A Member queried the statement in the Strategy around “*buildings owned and occupied by Council*”, and asked whether this included all schools? It was confirmed that it included Maintained schools but not Academies, which were not part of the County Council’s carbon footprint. The Member suggested that the Strategy should make it clear what was included and what was not.

Noting that residents were encouraged to email Members and the Council to say what they were doing to reduce carbon emissions, a Member asked what would be done with those testimonies, commenting that it would be regrettable if someone writes a really thoughtful contribution, and this was ignored. Officers commented that they were keen to share information on what worked, and part of the website would be devoted to this type of best practice and information sharing. Carbon reductions managed by the community would be monitored through the Annual Carbon Footprint report, but those figures were aggregated and not available on the individual community level. In terms of ideas coming forward, it was important to help individuals feel empowered and manage that information, and this needed to be factored into the communications and engagement plan. It was unclear at this stage the level of feedback that would be received from communities, but officers were committed to capturing that information.

Welcoming the Strategy, a Member suggested that there should be greater emphasis on better standards of insulation on existing buildings, and supporting residents and businesses to do the same. This was a particular issue for older buildings, which were difficult to retrofit. Officers commented that the Council had set high energy standards for its new buildings through its Net Zero Energy Buildings policy approved in December 2019.. It was noted that the Cambridge Energy Retrofit Partnership, which comprised the County Council and all Districts, had recently been awarded £3.5M to support domestic energy retrofits for low income households. The Partnership also had aspirations to develop further offers for a wider range of households.

A Member asked that all non motorised users were included in the Strategy, including equestrian.

With regard to the transport hierarchy, a Member observed that there was little reference in the Strategy to creating cycleways in rural areas, where many residents were keen to use active travel modes, but did not feel safe doing so. Funding avenues such as the Local Highway Initiatives were not sufficient to bring forward schemes such as cycleways. Officers advised that an active transport strategy was being developed, and that the refresh of the Combined Authority's Local Transport and Connectivity Plan would be coming forward in March, which would be an important policy framework for active transport. It was further noted that this subject had been raised at a recent Highways & Transport Committee, and was a clear priority for Members.

Discussing the report:

- A number of Members indicated their support for the Strategy, but commented that it was a continuation of work started by the previous Conservative administration, including the £16M Environment Fund, which the opposition at that time had voted against. Those Members felt that the Strategy as proposed was not sufficiently ambitious, and specific examples given, including a target of only 50% of Scope 3 (supply chain) emissions by 2030;
- A Member commented that the Solar Together programme was an example of where procurement powers could be used, and suggested that a similar scheme could be established for cavity wall and loft insulation too, as those type of schemes had a high uptake by residents. The Member also observed that the government had withdrawn Green Grant Scheme after only six months;
- A number of Members welcomed the Strategy and looked forward to monitoring progress in coming years;
- A Member commented that this was a hugely ambitious but credible plan which was the result of tremendous hard work. Whilst acknowledging it built on the plan of the previous administration, he commented that it accelerated that plan and was very ambitious. The 2030 targets were ambitious but achievable, but the 2040 plan was largely reliant on matters outside the Council's control, specifically government policy on decarbonising housing, transport, etc. He encouraged Conservative Members to lobby their Ministers on these matters.

The Chair commented that this was an extremely ambitious new strategy for the Council, and she was grateful to all those involved, especially lead officers. She stressed the bold

nature of the Strategy, which in addition to committing the Council to net zero carbon emissions, set a baseline for biodiversity and set targets in relation to peat, both which had been absent from the previous Strategy. There were some limiting factors owing to uncertainty at a national policy level, including waste, but there was a focus on closer partnership working, including the Combined Authority, businesses and communities. With regard to Scope 3 emissions, the Council was limited as these relied on other organisations, but there was commitment to working with those organisations through avenues such as procurement. The Strategy also aimed to spread understanding of decarbonisation across council's area of operation, especially internally, which was a significant task. She said she was extremely proud and privileged to be able to recommend the Strategy to full Council.

It was resolved unanimously to:

- a) Note this report;
- b) Comment on the revised draft Climate Change and Environment Strategy attached as Appendices 1-3 to the report;
- c) Recommend the Draft Climate Change and Environment Strategy to Council for adoption as corporate policy.

39. Review of Draft Revenue and Capital Business Planning Proposals for 2022-27

The Committee considered a report detailing the current business and budgetary planning position estimates for 2022-2027, including the principal risks, contingencies and implications facing the Committee and the Council's resources. The report also set out the process and next steps for the Council in agreeing a business plan budget for future years.

Attention was drawn to the overarching themes of the business planning process, and both the permanent and temporary budget pressures/investments required.

It was resolved, by a majority, to:

- a) Note the progress made to date and next steps required to develop the business plan for 2022-2027
- b) Comment on the budget and savings proposals that are within the remit of the Committee as part of consideration of the Council's overall Business Plan
- c) Note the updates to Fees and Charges for 2022-23

40. Finance Monitoring Report – October 2021

The Committee received the October 2021 Finance Monitoring Report. Introducing the report, the presenting officer highlighted:

- The predicted £31K Revenue underspend at year end;

- The proposed transfer from the 2021/22 to the 2022/23 financial year of the £850K planned emissions costs, as an earmarked reserve;

- that it had been identified that some of the street-sweeping waste and trade waste which passed through the waste transfer stations had been incorrectly attributed to the County Council. An adjustment had been made for previous years and there was also an impact on in-year expenditure to date (and hence also the forecast). The previous year's reconciliation amount of £460K and the in-year adjustment to the forecast was estimated to be £240K and it is proposed to also transfer these amounts to an earmarked reserve for the planned emission costs.

In discussion, it was confirmed that the costs of diversion works for Waterbeach, as well as the capital works, had all slipped to the 2022/2023 financial year. Councillor Bradnam, speaking as the Local Member for Waterbeach, commented that residents welcomed the EU Directive, and whilst appreciating that this may be difficult to manage, residents were constantly subject to odours across the village that were very unpleasant.

It was resolved by a majority to:

- a) Review, note and comment upon the report;

- b) Recommend to Strategy & Resources Committee that £1.55M of waste funding is transferred to an earmarked reserve towards the revenue costs associated with addressing the waste odour emissions work which has now slipped to next financial year.

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

The Committee noted the Agenda Plan.