

ENVIRONMENT AND SUSTAINABILITY COMMITTEE



Thursday, 25 June 2020

Democratic and Members' Services

Fiona McMillan
Monitoring Officer

10:00

Shire Hall
Castle Hill
Cambridge
CB3 0AP

COVID-19

During the Covid-19 pandemic Council and Committee meetings will be held virtually for Committee members and for members of the public who wish to participate. These meetings will be held via Zoom and Microsoft Teams (for confidential or exempt items). For more information please contact the clerk for the meeting (details provided below).

AGENDA

Open to Public and Press

CONSTITUTIONAL MATTERS

1 Apologies for absence and declarations of interest

Guidance on declaring interests is available at
<http://tinyurl.com/ccc-conduct-code>

2 Minutes

[28th May 2020](#)

3 Environment and Sustainability Committee - Action Log

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4 Petitions and Public Questions

KEY DECISIONS

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The Environment and Sustainability Committee comprises the following members:

Councillor Josh Schumann (Chairman) Councillor Tim Wotherspoon (Vice-Chairman)

Councillor Anna Bradnam Councillor Lorna Dupre Councillor Ian Gardener Councillor John Gowing Councillor Peter Hudson Councillor Jocelyne Scutt Councillor Mathew Shuter Councillor Graham Wilson

For more information about this meeting, including access arrangements please contact

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**ENVIRONMENT &
SUSTAINABILITY POLICY &
SERVICE COMMITTEE**



Minutes-Action Log

Introduction:

This is the updated action log as at **17th June 2020** and captures the actions arising from the most recent Environment and Sustainability Committee meetings and updates Members on the progress on compliance in delivering the necessary actions.

Minutes of 28th May 2020					
4. a.	Cambridgeshire County Council's Response to Covid-19	Graham Hughes	Sought clarification regarding whether any further guidance had been received in relation to the Council's role in tracking and tracing. The Service Director for Highways and Transport stated that he was not aware that any further guidance had been received. He confirmed that he would take this away and check.	Information circulated to the Committee on the 17 th June 2020.	Completed

<p>4. b.</p>	<p>Cambridgeshire County Council's Response to Covid-19</p>	<p>Graham Hughes</p>	<p>Provide the Committee with more information regarding which teams the P&E officers had been redeployed from. He also confirmed that more detail would be provided in the next Covid-19 report regarding the impact of this redeployment on the completion of environment and sustainability projects.</p>	<p>At the end of March CCC launched our Countywide COVID-19 Coordination Hub to help those people in our communities who are at the highest risk and shielded during the Coronavirus outbreak. Staff across P&E were requested to assist critical teams and redeploy from their normal roles in anything from call handlers to welfare check officers and even assisting with PCC housing needs team. We have seen some fantastic support from our teams, helping Richard to co-ordinated the redeployment of 75 members of our P&E team.</p> <p>49 of these staff have now returned to their roles. All staff will have returned to their roles by the end of August.</p>	<p>Completed</p>
<p>5.</p>	<p>Environment and Sustainability Committee Agenda Plan, Training Plan and Appointments to Outside Bodies and Internal Advisory Groups.</p>	<p>Graham Hughes</p>	<p>COVID Recovery – Environment Sub-Group's draft action plan. Officers undertook to confirm when a report would be presented.</p>	<p>The draft action plan will be included in the Covid-19 highlight report being presented to the Committee on the 25th June 2020.</p>	<p>Completed</p>

RENEWABLE HEATING PROGRAMME (ENVIRONMENT FUND)

To: Environment and Sustainability Committee

Meeting Date: 25th June 2020

From: Steve Cox - Executive Director, Place and Economy

Electoral division(s): All

Forward Plan ref: 2020/030 **Key decision:** Yes

Outcome: To agree the assessment criteria for the Low Carbon Heating Programme for the Council's buildings against which individual projects can draw down investment from the Environment Fund for their implementation. The intended outcome of this proposal is to enable the Council to proceed with significant work towards meeting its climate change commitments.

Recommendation: The Committee is asked to:

- a) Note the background, progress to date, issues, challenges and opportunities regarding the set up of a programme of renewable heating projects for Council buildings.
- b) Approve the assessment criteria for the Low Carbon Heating Programme to draw down Environment Fund investment.
- c) Delegate authority to the Chief Finance Officer in discussion with the Committee Chair, to approve the individual business cases for projects, in compliance with the approved assessment criteria for the Low Carbon Heating Programme.
- d) Approve the inclusion of a carbon savings cost into the business case to sit alongside the financial business case.

<i>Officer contact:</i>		<i>Member contacts:</i>	
Name:	Sarah Wilkinson	Names:	Cllr Joshua Schumann
Post:	Energy Manager	Post:	Chairman of the Environment and Sustainability Committee.
Email:	Sarah.wilkinson@cambridgeshire.gov.uk	Email:	Joshua.Schumann@cambridgeshire.gov.uk
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1. BACKGROUND

- 1.1. In February 2020, the Council adopted a fourth corporate objective to deliver net zero carbon for Cambridgeshire by 2050 and included a £16million Environment Fund in its budget plan to support delivery of its commitments set out in the Climate Change and Environment Strategy approved in May 2020 at Full Council.
- 1.2. The £16million Environment Fund is to implement near-term targets set out in the Climate Change and Environment Strategy and £15million of the fund is earmarked for replacing oil and gas heating with renewable heating, at the approximately 70 buildings owned and occupied by the Council.
- 1.3. In December 2019, following an update to Buildings Regulations on 'Nearly Zero Energy Buildings', the Council's General Purposes Committee resolved unanimously to install low carbon heating systems for any refurbishments and boiler replacements, to reduce the Council's carbon footprint and maximise energy benefits to the Council. As heating plants typically have long lifetimes e.g. 20 years or more for boilers, there will be only one or two opportunities between now and 2050 to replace both gas and oil heating systems, at the end of their lives, with low carbon heating solutions.
- 1.4. The intended outcome of this report is therefore to agree the assessment criteria for the Low Carbon Heating Programme for the Council's buildings against which individual projects can draw down investment from the Environment Fund for their implementation and thus enable the Council to proceed with significant work towards meeting its climate change commitments. By reducing the Council's and Cambridgeshire's carbon footprint, this will have wide reaching benefits to our residents and local communities.

2. MAIN ISSUES

- 2.1. *Development of a Low carbon Heating Programme.* The renewable heating programme is intended to make a significant contribution towards reducing its carbon emissions and delivering the Council's pledge to have fossil-fuel-free heating for all buildings that it both owns and occupies, by 2025.
- 2.2. *Carbon footprint of heating.* The Council's annual carbon footprint report for 2018-19 shows that heating of 73 buildings with oil and gas accounted for 61% of the Council's 'Scope 1' carbon footprint (scope 1 meaning direct emissions from the Council's own assets). Scope 1 emissions are those that we have the greatest control over. It will not be possible to meet the Council's climate change targets whilst so many of its buildings are heated with gas and oil.
- 2.3. *Renewable heating technologies.* The most suitable technologies for heating buildings from renewable sources are Air Source Heat Pumps (ASHPs) and Ground Source Heat Pumps (GSHPs). In ASHPs, outside air is used to heat a liquid refrigerant. The pump uses electricity to compress the refrigerant to increase its temperature then condenses it back to release stored heat – a bit like a fridge in reverse. ASHPs still work well even when the outside air temperature is very low. They are generally very reliable sources of heat and require very little maintenance. GSHPs work in a similar way, except that coils or pipes containing refrigerant are buried in the ground. Note that whilst heat pumps do use electricity, they are very different to traditional electric heating, in that the electricity is not

the source of heat. Heat pumps typically produce a heat output 3 to 4 times as much as the electricity they use.

- 2.4. *Renewable Heat Incentive (RHI).* The non-domestic RHI is a government-funded scheme which provides a source of income to owners of eligible renewable heating systems in non-domestic buildings for 20 years. However, the scheme will not be funded for new applications beyond March 2021. There is therefore an additional incentive to get as many installations as possible completed before March 2021, in order to be able to claim this source of additional income for the Council. The non-domestic RHI is currently (2020-21 Q1 rates) worth 2.79 pence per kWh of heat generated for ASHPs, and 2.6 to 9.68 p/kWh for GSHPs, for a period of 20 years (adjusted by CPI). The total income would depend on the heat output. As an example, an ASHP to be installed at Huntingdon Youth Centre, with a building annual heat demand expected to be 73,000kWh, would mean approximately £50,000 of RHI payments spread over the 20 years.
- 2.5. *Timing of projects.* Whilst the heating systems in many of the Council's buildings are aging and will need replacing soon, others still have some years' life expectancy left. However, in order to meet the Council's carbon reduction commitments, as well as to maximise income from RHI, upgrades of some buildings' heating to renewable systems will need to take place ahead of the existing system's end of life. The whole lifecycle costs (both financial and environmental) will need to be considered in each case.
- 2.6. *Prioritising sites.* The Council's Energy and Property FM teams have worked together to identify a list of properties for the first batch of projects to replace oil or gas heating with ASHPs. This site list takes into account the age and condition of the current heating system (prioritising those with older and poor condition heating), the current carbon footprint of the site (prioritising those with higher oil or gas consumption), and whether there are any other projects or plans for the site currently being developed (for example existing heating projects or alterations with the Cambs2020 'spokes' work). This has identified 26 potential projects, a list of which is shown in Appendix A. This list has been assembled with input from representatives of the Cambs2020 team, the Property FM team, the Energy Investment Unit and the Strategic Property Asset Board at their meeting in March 2020.
- 2.7. *Project development budget.* In order to complete as many heating projects as possible before the closure of the RHI scheme, it has been necessary to start some preliminary works in advance and incur costs to cover asbestos surveys and design work. These costs will be included in the overall programme and reflected into the individual business cases as they come forward for funding.
- 2.8. *Asbestos.* The first task has been to arrange asbestos surveys at 20 of the sites (five sites did not require surveys since it was already known there is no asbestos there). These surveys were all completed by the end of April, at a cost of around £9,000. Some sites may require remedial works to make safe or remove asbestos. Remedial works will be paid for by the Facilities budget if they are required anyway for the site's normal use, or from the Environment Fund in cases where only required because of the heating projects.
- 2.9. *Existing projects.* Seven projects on the list were already planned or underway through existing schemes of work: Huntingdon Youth Centre, Butts Grove Day Centre, Grafham Water Centre Workshop building, Hawthorns Adolescent Unit, Sackville House, Roger Ascham Library and March Community Centre, and are at various stages. For these projects, it is expected that the Environment Fund will only pay for any extra costs

associated with installing renewable heating that would not have been incurred for traditional gas heating.

- 2.10. *Procurement.* For the remaining 19 projects, a design consultant has been procured, using an existing framework. The tender was divided into three lots based on the geographical locations of the sites. The specification included the requirement for renewable heating systems that meet the RHI eligibility criteria. However, owing to the COVID-19 situation, site visits were avoided, and tenderers were asked to price based on the information provided. The design work for these 19 sites is expected to cost £161,800 (this was the lowest price bid received), including production of carbon reduction reports, production of concept designs, production of technical designs, project management for the construction phase, CDM¹ fees and compliance with Building Regulations.
- 2.11. *Project timetable.* The planned timetable for the 19 additional projects is shown below in Table 1.

Table 1

Activity	Planned timescale	Notes
Procure design consultant	21/04/2020 – 15/05/2020	Completed
Concept designs, and energy/carbon reports. Including indicative costs.	15/05/2020 – 19/06/2020	In progress
Detailed and technical designs. Including refined cost estimates.	Complete by 03/07/2020	
Obtain planning permission where required.	19/06/2020 – 28/08/2020	Unlikely to be required for most projects, but anticipated determination timescales of 12 weeks if and where required.
Arrange electrical supply upgrades if required.	19/06/2020 – 28/08/2020	May be required for some projects, with anticipated timescales of 8 to 12 weeks.
Procurement of contractor: tender period	03/07/2020 – 31/07/2020	
Construction phase	28/08/2020 – 20/11/2020	
RHI applications	20/11/2020 – 31/03/2021	

This timetable is subject to change and will be reviewed as the projects progress.

- 2.12. *Minimising disruption.* Since the heating works are due to take place in autumn, it is possible that temporary alternative heating may be needed at some sites whilst the works take place. This will depend on the exact timing, duration of works, outside temperature at the time, and the use of the site. Work plans will be co-ordinated with site users to minimise disruption.
- 2.13. *Process for approval.* In order to adhere to the proposed timescale, it will be necessary to make the decision on whether or not to proceed with heating works at any particular site, as soon as possible once the concept designs and indicative costs are known. This is to ensure there is enough time for design work, planning applications and, where required,

¹ Construction, Design and Management Regulations

upgrades to electricity supplies, to take place ahead of construction. Carrying out the works on site in the summer (or early autumn) would be preferential if possible, in order to minimise downtime during the winter heating season, whilst still completing works before the RHI closure date in March 2021. Business cases will be presented to Strategic Property Assets Board (SPAB) who will make recommendations to the Chief Finance Officer, in discussion with the Chair of Committee, to proceed with works on site for each individual project, in line with criteria set out below. The programme will also need to retain enough flexibility to respond to the potential for changing building needs following the COVID-19 pandemic.

2.14. *Criteria for approval.* To ensure that heating projects provide good value for money for the Council, it is proposed that Committee approve the following criteria for the overall Programme and individual projects to be funded from the Environment Fund.

- Individual sites are owned (either freehold or long term leaseholds) and occupied by the Council;
- The individual site is not planned to be sold or let out within the next five years (based on currently known and agreed plans);
- The total investment for the Low Carbon Heating Programme is approved at a cap of £15million to decarbonise all Council buildings that are heated by oil or gas (approximately 70 buildings);
- The proposed design meets the renewable heating specification detailed in Appendix B;
- A report has been produced detailing the whole lifecycle costs (financial and environmental), current and expected energy usage, projected energy savings and carbon reductions from the project and how this contributes to our targets;
- The Programme is expected to achieve a simple average payback of 20 years or better for the £15million investment, taking into account the cost of carbon as discussed in paragraphs 2.17 to 2.19. (Individual projects may exceed this as long as the average is maintained);
- If any individual project is greater than £500,000, the business case will come forward to Committee for approval.

Progress reporting on the £15million investment programme will be provided via the Quarterly Monitoring Report for Energy Programmes which will come to this committee;

2.15. *Economic recovery from COVID-19 impact.* The COVID-19 pandemic will have a significant impact on the local economy, as many businesses are temporarily closed down and others carrying out reduced operations, whilst hundreds of Council and other public sector employees and volunteers are dealing with the response to the crisis. These heating projects will contribute to the economic recovery plan for Cambridgeshire, by employing contractors (including locally where possible and appropriate) to complete the works.

2.16. *Energy market fluctuations.* The recent exceptionally low UK energy demand due to the lockdown situation has seen gas prices fall to unusually low levels in recent weeks. This

could affect business cases if taken out of context, however over the long term timeframe of a heating system, energy prices are still expected to rise.

- 2.17. *Cost of carbon.* With the risk and impacts of climate change becoming more well-known, and the need to pay for carbon emissions emerging as a part of the cost of doing business, more organisations and governments are looking to put a price on carbon. Governments implement carbon pricing in two key ways - through carbon taxes, or through cap-and-trade or emissions trading systems. An internal or shadow price on carbon, which creates a theoretical or assumed cost per tonne of carbon emissions, can be used as an organisational decision-making tool to assess potential policy changes and project business cases. This has the benefits of being able to assess the profitability of projects in different scenarios, future-proof investment decisions, stimulate ideas on how to best allocate capital in a low carbon economy, and demonstrate that we are taking the risks of climate change seriously.
- 2.18. There are several methods to value carbon, but the most logical approach for the Council would be to mirror the UK Government's method of using the Emissions Trading Scheme price for traded emissions (electricity generation, aviation and industrial process emissions), and the BEIS² carbon value for non-traded emissions (all other emissions sources including transport and heating). These traded and non-traded carbon prices are different in the short-term (central scenario of £14/tonne traded and £69/tonne non-traded in 2020), but the two are projected to converge, becoming equal in 2030 (at £81/tonne) and remaining so in further years (rising to £231/tonne by 2050). Further information and a graph of projected carbon prices is shown in Appendix C.
- 2.19. It is recommended that carbon prices are built into business cases on this basis (as a 'virtual' cost) and presented alongside the base business case (without carbon prices) in order to understand how and which decisions may differ when the cost of carbon is taken into account.

3. ALIGNMENT WITH CORPORATE PRIORITIES

3.1 A good quality of life for everyone

There are no significant implications for this priority. However, a reduction in the carbon footprint for Cambridgeshire has benefits to the quality of life of our residents.

3.2 Thriving places for people to live

There will be a benefit to workers involved in the works. The sites having updated heating systems will benefit the staff and service users who use those sites.

3.3 The best start for Cambridgeshire's children

Some of the sites on the list (such as the Grafham Water Centre) offer educational and recreational services for children. These sites will benefit from the updated heating systems with reduced carbon footprints.

3.4 Net zero carbon emissions for Cambridgeshire by 2050

These projects will help the Council to meet its ambitions in relation to this priority, as set out in paragraphs 1.1 to 1.3 and 2.1 to 2.6.

² BEIS = Department for Business, Energy and Industrial Strategy

4. SIGNIFICANT IMPLICATIONS

4.1 Resource Implications

The report above sets out details of significant implications in paragraphs 1.1 – 1.3, 2.1 – 2.2, 2.4 – 2.10, and 2.14 – 2.19. This includes:

- In May 2020, Council agreed a £15 million investment into renewable heating systems over 5 years;
- Significant reduction in the Council's 'scope 1' carbon footprint by removing oil and gas heating;
- Potential to receive RHI income;
- Accounting for the cost of carbon in business case analyses.

4.2 Procurement/Contractual/Council Contract Procedure Rules Implications

The report above sets out details of significant implications in paragraphs 2.9 – 2.11.

4.3 Statutory, Legal and Risk Implications

The following bullet points set out details of significant implications identified by officers:

- All building works will need to comply with Building Regulations and Health and Safety legislation and policies; and
- Key risks include potential delays or additional costs owing to asbestos remedial works, COVID-19-related delays to materials supplies or contractor staff shortages, planning permission, or electricity supply upgrades. These will all be monitored and managed by the project team.

4.4 Equality and Diversity Implications

The following bullet point sets out details of a significant implication identified by officers:

- Access to some Council buildings by staff and service users may be temporarily restricted whilst works on site are taking place. This could include temporarily closing buildings or relocating access routes, workspaces and services to other parts of the building or other buildings. This will be assessed on a case by case basis and alternative plans put in place where required.

4.5 Engagement and Communications Implications

The following bullet points set out details of significant implications identified by officers:

- Extensive consultation with the public and other organisations on the Council's Climate Change and Environment Strategy and Action Plan took place before the final version was agreed. It was also developed in collaboration with a cross-party Member Advisory Group and a cross-departmental Officer Steering Group; and
- The report above sets out further implications in paragraphs 2.6 and 2.12.

4.6 Localism and Local Member Involvement

- The Climate Change and Environment Strategy was developed in collaboration with a cross-party Member Advisory Group.

4.7 Public Health Implications

The following bullet points set out details of significant implications identified by officers:

- The works will need to be done whilst minimising disruption and still adhering to social distancing requirements that may still be in place at the time, due to the COVID-19 situation.
- Reducing our carbon footprint and helping to mitigate climate change also has public health benefits in the long term.

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes Name of Financial Officer: Sarah Heywood
Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement?	Yes Name of Officer: Gus de Silva
Has the impact on statutory, legal and risk implications been cleared by the Council's Monitoring Officer or LGSS Law?	Yes Name of Legal Officer: Fiona McMillan
Have the equality and diversity implications been cleared by your Service Contact?	Yes Name of Officer: Elsa Evans
Have any engagement and communication implications been cleared by Communications?	Yes Name of Officer: Eleanor Bell
Have any localism and Local Member involvement issues been cleared by your Service Contact?	Yes Name of Officer: Emma Fitch
Have any Public Health implications been cleared by Public Health	Yes Name of Officer: Iain Green

Source Documents	Location
<ol style="list-style-type: none"> 1. Full Council meeting minutes – February 2020 2. General Purposes Committee minutes – Dec 2019 	<ol style="list-style-type: none"> 1. https://cambridgeshire.cmis.uk.com/ccclive/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1102/Committee/20/Default.aspx 2. https://cambridgeshire.cmis.uk.com/ccclive/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1016/Committee/2/Default.aspx

<p>3. Cambridgeshire County Council Climate Change and Environment Strategy and Cambridgeshire County Council Annual Carbon Footprint Report 2018-19</p> <p>4. Short term and long term forecast carbon prices</p>	<p>3. https://www.mlei.co.uk/climateenvironment/climate-change-and-environment-strategy</p> <p>4. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/794186/2018-short-term-traded-carbon-values-for-appraisal-purposes.pdf and https://www.gov.uk/government/publications/valuation-of-energy-use-and-greenhouse-gas-emissions-for-appraisal</p>
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Appendix A – List of projects for 2020-21

Environment Fund Projects

Site Name	Post Code	Current heating system estimated age (years)	Main heating fuel	Site total carbon footprint 2018-19 (net) (kg CO2e)	District of site location
33 Haviland Way	CB4 2RA	Unknown	Gas	Unknown	City
Bargroves Resource Centre	PE19 2EY	15	Gas	31,063	Hunts
Burwell House	CB5 0BA	20	Gas	28,130	E Cambs
Cambridge Central Library	CB2 3QD	10	Gas	52,778	City
Childrens Home (78 Victoria Rd)	PE13 2PY	15	Gas	9,508	Fenland
Cottenham Library	CB24 8QY	15	Gas	3,306	S Cambs
Ely Branch Library	CB7 4ZH	20	Gas	6,489	E Cambs
Grafham Water Residential Centre - Main building, sports hall and accommodation block	PE28 0GW	20	Gas	91,616	Hunts
Hereward Hall	PE15 8NE	18	Gas	20,919	Fenland
Hillrise Childrens Home	PE18 7LY	Unknown	Gas	4,182	Hunts
Horizon Resource Centre	CB1 3HY	15	Gas	70,863	City
Huntingdon Community Centre	PE29 1JE	20	Gas	37,423	Hunts
Huntingdon Library	PE29 3PA	10	Gas	15,142	Hunts
Larkfield Resource Centre	CB7 4SB	10	Gas	37,069	E Cambs
Scott House	PE29 3AD	10	Gas	13,144	Hunts
Stibbington Centre	PE8 6LP	25	Oil	19,526	Hunts
Victoria Lodge	PE13 2UW	15	Gas	10,877	Fenland
Whittlesford Highways Depot Site (Office Accommodation)	CB22 4NL	Unknown	Oil	10,414	S Cambs
Woodland Lodge	PE29 6JD	Unknown	Gas	Unknown	Hunts

Existing Property Projects

Site Name	Post Code	Current heating system estimated age (years)	Main heating fuel	Site total carbon footprint 2018-19 (net) (kg CO2e)	District of site location
Butts Grove Day Centre	PE29 1LY	25	Oil	45,639	Hunts
Grafham Water Residential Centre - Workshop building	PE28 0GW	20	Gas	Zero due to heating not working	Hunts
Hawthorns Adolescent Unit (formerly Community Home)	CB4 2RA	25	Gas	15,194	City
Huntingdon Youth Centre	PE29 7AF	25	Gas	19,764	Hunts
March Community Centre	PE15 8LE	30	Gas	44,196	Fenland
Roger Ascham Library	CB4 2BD	Unknown	Gas	Unknown	City
Sackville House	CB23 6HL	10	Gas	34,149	S Cambs

Appendix B – Renewable Heating Specification

Low carbon heating technologies

All new heating systems installed into Council buildings must be from renewable sources. Designers should consider heating options in line with Table 2 below.

Table 2

Heating Type	Potential Uses / Notes
Air Source Heat Pumps	Preferred option, suitable for most sites
Ground Source Heat Pumps	May be suitable for larger sites with sufficient land
Water source heat pumps	May be considered for sites adjacent to a water course
Biomass or biogas boilers	Unlikely to consider
Hydrogen	Technology not yet widely available but may consider in future
Heat networks	May consider if part of a larger scheme e.g. for villages, blocks or areas of several buildings. Not suitable for individual buildings.
Electric heating	Do not install new. May keep existing systems.
Gas Oil / kerosene LPG Coal	Do not install. Replace existing systems when feasible.

Energy Performance Requirements

Technical specification

Heat demand of the building must be considered and heating systems sized appropriately to meet demand.

For installations 60kW and above, the Seasonal Coefficient of Performance (SCOP) of any Air Source Heat Pump (ASHP) must be no lower than 4.0 at 35°C and 3.0 at 55°C.

For installations below 60kW, the SCOP of any ASHP must be no lower than 3.5 at 35°C and 2.8 at 55°C.

The energy rating of any unit must be no lower than Class A+.

Forecasting energy use, carbon savings and life cycle costs

An Energy Performance Certificate (EPC) must be obtained if there is not already one within the last two years, or if significant changes to the building have been carried out since the last EPC.

Design proposals must include information on forecast energy use of the new system, comparison to current/previous use, and estimates of carbon emissions savings, both annually and over the lifetime of the system.

Design proposals and supporting information should provide the data to enable Whole Life Cycle Costs (including the cost of carbon) to be calculated.

Building fabric efficiency upgrades

Building improvement works should be carried out where necessary to achieve an EPC level of 'C' or better for existing buildings. New builds (including extensions if heated separately) should target an EPC 'A' rating.

For some buildings, upgrades to the fabric of the building (e.g. insulation, windows, draught-proofing) or to other elements of the plumbing and heating system (e.g. radiators) may also be required.

- Wall insulation and loft/roof insulation must be installed in any buildings where these measures are recommended in the EPC. In these cases, a new EPC must be obtained after the insulation works are completed.
- Single glazed windows should be replaced with double- or triple-glazing where possible.
- Consideration should be given to any other measures recommended in the site's EPC Advisory report and/or the DEC Recommendation Report.

Renewable Heat Incentive (RHI)

Heating systems must be designed to meet all criteria necessary to be eligible for the Non-Domestic Renewable Heat Incentive (RHI) or, in the case of domestic properties, the Domestic RHI. This includes but is not limited to the following:

- Eligible technologies: solid biomass, biogas, ground and water source heat pumps, geothermal, solar collectors, energy from waste, air to water heat pumps, CHP from solid biomass, biogas or waste in combination with other source of energy, shared ground loop systems.
- Must be for a wholly enclosed, permanent building.
- Uses liquid as a means of heat delivery.
- Installations of 45kWth or less must be MCS certified.
- Planning permission in place (if required).
- Any necessary environmental permits in place (where required).
- Eligible heat uses: indoor space heating, water heating, heat for specific processes such as cooking. (Ineligible heat uses: cooling, generating electricity, heating of outside spaces.) Heat used to heat swimming pools is not eligible unless the pools are used for municipal or commercial purposes.
- Heat pumps must have a coefficient of performance of at least 2.9, and a design seasonal performance factor of at least 2.5.
- Heat meters required.

Project timing

Projects should be planned such that the new RHI-compliant heating system is fully installed, tested and commissioned before the RHI scheme ends, whenever possible³. Planning permission (where required) should be sought as early as possible to enable this.

Metering

Heating systems should be sub-metered in order to identify the electricity usage (and, if required for RHI, heat output) of the heating system. All metering must be RHI-compliant.

Evidence

All relevant paperwork must be provided promptly (e.g. invoices, commissioning certificate, installation schematic, MCS certificate if the capacity of the system is <45 kW, manufacturers specs, installer declaration of Seasonal Performance Factor).

³ At the time of writing, this is 31 March 2021 for the Non-Domestic RHI, and 31 March 2022 for the Domestic RHI.

Ongoing maintenance

Provision should be made for ongoing maintenance in line with that required by manufacturers' specifications, RHI requirements and/or other required to ensure the system continues to function well.

New builds

Heating systems for new builds should comply with the same requirements as those for retrofitting existing buildings, as described above. In addition, other requirements for new builds are specified below.

Nearly Zero Energy Buildings

All new buildings owned and occupied by public authorities must be 'Nearly Zero Energy Buildings', in line with the amended Building Regulations which came into force on 1 January 2019.

The legal definition of 'Nearly Zero Energy Building' is a building that has '*a very high energy performance..., where the nearly zero or very low amount of energy required should be covered to a very significant extent by energy from renewable sources, including energy from renewable sources produced on-site or nearby.*'

The Council's policy is that all new buildings (excluding schools) should:

- Be designed to achieve at least 6 BREEAM energy performance "Ene01" credits;
- Be designed to achieve an EPC rating of A or better; and
- Have on-site renewable energy generation installed, sized to meet a significant proportion (>80%) of the building's expected energy use.

Appendix C – Carbon Valuation

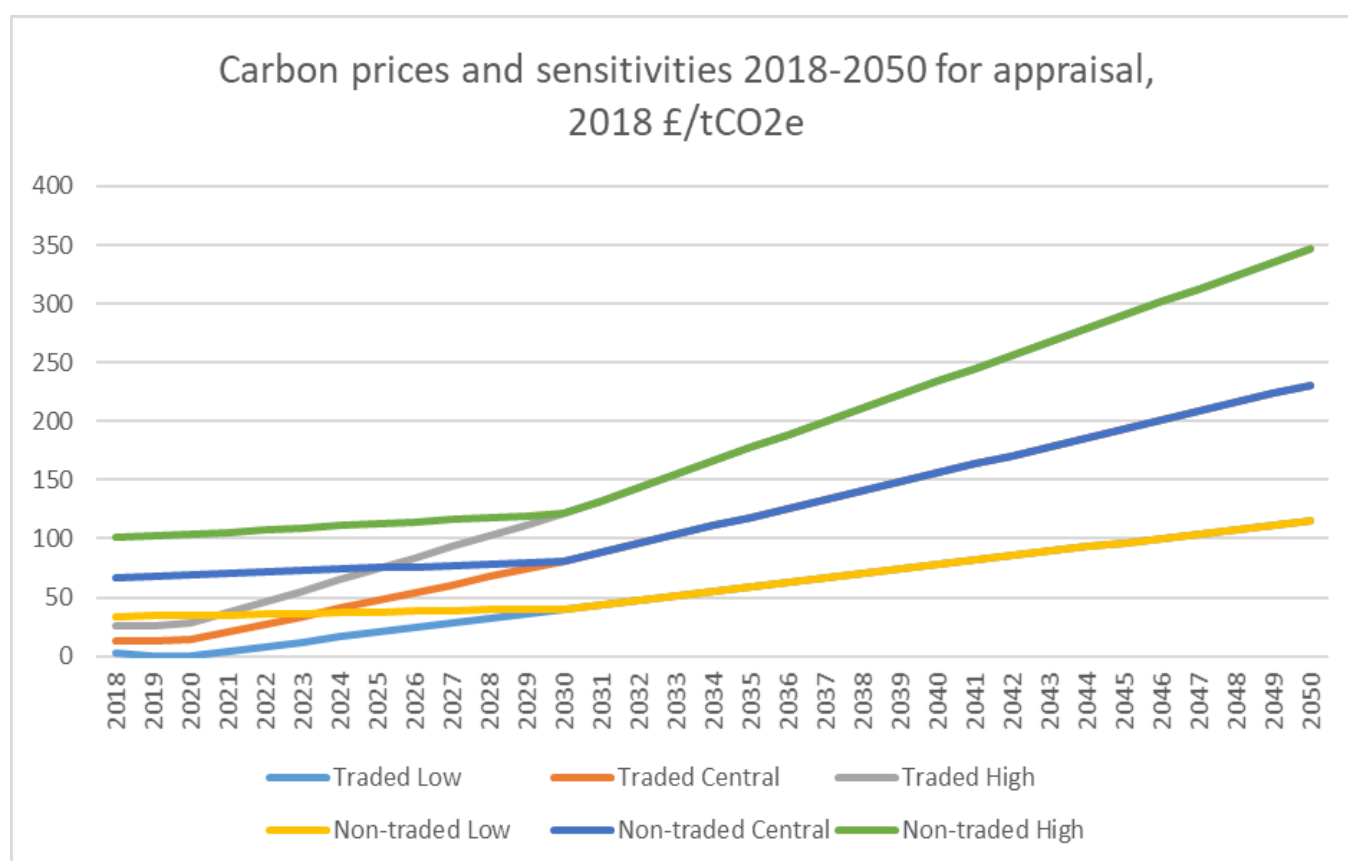


Figure 1: UK Carbon price projections

NB. These are presented in “real” rather than “nominal” values i.e. excluding the effect of inflation and for a 2018 base year.

Traded emissions are those from electricity generation, aviation and industrial process emissions – these are the sectors included in the EU Emissions Trading Scheme (ETS), in which the UK currently participates. Under the ETS, total applicable emissions are capped, and those emitting less than their allocation can sell their excess allowances to other higher emitters.

All other emissions (such as those from transport, heating, waste or agriculture) are **non-traded**. Carbon values from emissions in the non-traded sectors are based on the marginal abatement cost (MAC) required to meet UK emissions reduction targets, such as those agreed in international negotiations and the carbon budgets.

These traded and non-traded carbon prices are different in the short-term, but the two are projected to converge, becoming equal in 2030 and remaining so in further years. This is based on the Government’s assumption that there will be a functioning global carbon market by 2030.

The approach to valuing carbon may need reviewing once the UK has concluded its EU Exit negotiations, although at the time of writing it seems likely that the UK will mirror the EU ETS.

WISBECH MVV MEDWORTH ENERGY FROM WASTE COMBINED HEAT AND POWER PROPOSAL

To: Environment & Sustainability Committee

Meeting Date: 25th June 2020

From: Steve Cox - Executive Director, Place and Economy

Electoral division(s): Wisbech West

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

Outcome: To seek delegated powers for officers, where there is insufficient time to take the item to Committee, to ensure that the Nationally Significant Infrastructure Project (NSIP) timescales can be met, thus allowing our submissions to be given full weight by the Planning Inspectorate (PINS) in the determination process.

Recommendation: It is recommended that the Executive Director: Place and Economy on behalf of Cambridgeshire County Council as County Planning Authority (CPA) be authorised to:

Submit NSIP related responses to the Planning Inspectorate on behalf of the CPA and other regulatory functions of the Council, in consultation with the Chairman and / or Vice Chairman of the Environment and Sustainability Committee, only on occasions where there is not enough time for a report to be delivered to the E&S Committee.

<i>Officer contact:</i>		<i>Member contacts:</i>	
Name:	Emma Fitch	Names:	Cllr Joshua Schumann
Post:	Joint Interim Assistant Director, Environment and Commercial	Post:	Chairman of the Environment and Sustainability Committee.
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Tel:	01223 715531	Tel:	01223 706398

1. BACKGROUND

- 1.1 MVV Environment Ltd is proposing to construct an energy from waste combined heat and power facility (EfW CHP), to be built on the existing waste management site on the Algores Way Industrial Estate, under Part 3 Section 14 of the Planning Act 2008 (as amended). The proposed development is considered to be a nationally significant infrastructure project (NSIP) by virtue of the fact that the generating station is located in England and has a generating capacity of over 50 megawatts (see section 15(2) of the 2008 Act); which will therefore require an application to be submitted for a Development Consent Order (DCO)¹.
- 1.2 As an NSIP application (for which a DCO is required) the proposed MVV Medworth EfW CHP Project will not be determined by the County Council. Responsibility for accepting and examining the NSIP applications rests with the Secretary of State (for Business, Energy and Industrial Strategy). However, the Planning Inspectorate carries out certain functions related to national infrastructure planning on behalf of the Secretary of State.
- 1.3 The County Council has a distinct role in this process as one of the four 'host' authorities (with the others being Norfolk County Council, Fenland District Council, and the Borough Council of King's Lynn and West Norfolk). The County Planning Authority (CPA) is the lead for this project within Cambridgeshire County Council, and CPA officers will draw on specialist advice from other key specialist teams, including taking advice from officers acting as the Council's Highway Authority and Lead Local Flood Authority.
- 1.4 Local Authorities are statutory consultees in their own right for any proposed NSIP within their area. Cambridgeshire County Council in its role as CPA is therefore a statutory consultee in the NSIP process. The role of the CPA is not to pass judgement on the merits of the application, but to scrutinise the applicant's assessment of the NSIP application, offer technical advice as part of the consultation process and ensure that adequate public consultation is carried out.
- 1.5 Whilst the NSIP legislation does not specify any differences between 'host' planning authorities, in their role as statutory consultees, there is an understanding or assumption, set out in common practice, that if permission is granted by the Secretary of State the requirements (or effectively planning conditions) in the DCO are discharged, monitored and enforced by the Council(s) that would normally be the determining authority i.e. for this project within Cambridgeshire the County Council. In addition, in the event of a non-material or material changes to the proposal the decision making powers are still retained by the Secretary of State. In the event that the project changes during the early pre-application stages for any reason, to mean that it wouldn't meet the NSIP requirements, at that point the County Council would become the determining authority.
- 1.6 As an NSIP proposal, the MVV Medworth EfW CHP Project has already undertaken part of its pre-application consultation (currently at the non-statutory stage) with the general public, alongside pre-application discussions with key specialisms within the four 'host' authorities, to help inform their proposal prior to the submission of their application to the Planning Inspectorate (PINS). Impacts in relation to the Coronavirus have been considered by MVV

¹ Full details of the MVV Medworth Environmental Impact Assessment (EIA) scoping report and NSIP process are available on the PINS website using the following link
<https://infrastructure.planninginspectorate.gov.uk/projects/eastern/medworth-energy-from-waste-combined-heat-and-power-facility/>

and are discussed further in paragraph 4.3 of this report, which includes reference to a “second phase” by MVV to their pre-application non-statutory consultation to allow the public events to still take place.

- 1.7 The A14 upgrade works project within Cambridgeshire was progressed as an NSIP application, so the process may be familiar to a number of members of this new Committee. However, to set the background for those less familiar with the process, Appendix 1 sets out the six stages involved with a NSIP application and Appendix 2 clarifies the role of the local authority at each of the stages (excluding the decision). PINS guidance is clear that a local authority and the local community are consultees in their own right. Whilst local authorities should have regard to what the community is saying, it is not intended that they necessarily adopt all of those views put to them. In this context, local authorities in particular must conduct themselves in line with the National Policy Statements and the relevant guidance.
- 1.8 Paragraph 6.2 of the PINS Advice Note two: The role of local authorities in the development consent process, states that *“Local authorities should engage proactively with a developer even if they disagree with the proposal in principle. It is important to recognise that a local authority is not the decision maker but will want to contribute towards the development of the emerging proposals with the benefit of their detailed local knowledge. Local authorities are not undermining any ‘in principle’ objections to a scheme by engaging with a developer at the pre-application stage.”*
- 1.9 If the recommendation within this paper is approved, the outcome will be that officers will have the ability to use delegated powers to ensure that consultation timescales set by national legislation are able to be met, where there is not sufficient time for a committee decision to be taken.

2. THE PROPOSAL

- 2.1 The Development set out by MVV is proposed to include a number of principal elements within the Red Line Boundary (the ‘Site’ as set out in the plans in Appendix 3), including the following elements identified in MVV’s Scoping Report submitted to PINS:
- Energy from Waste CHP facility;
 - CHP Connection;
 - Grid Connection;
 - Access Improvements; and
 - Temporary Construction Compound (including potential additional land for a substation).
- 2.2 The proposed Medworth EfW CHP Facility is being designed by MVV to recover energy in the form of electricity and steam from over half a million tonnes of non-recyclable (residual) municipal waste each year. Generating over 50 megawatts², the electricity is proposed to be sent to the grid or to major industries in the area, offering them alternative energy supplies, subject to approval. Steam is also proposed to be available by MVV if permission is granted, allowing potential users the option to switch off their conventional fossil fuelled boilers.

² MVV’s Scoping Report predicted an annual generating capacity of around 53 MW to be exported to the grid after taking approximately 5 MW to power the facility. The project is based on a maximum generating capacity of 58 MW.

3. PLANNING POLICY

- 3.1 The policy framework for determining an NSIP application is set out in Section 104 of the Planning Act 2008 (as amended), set out below:

In deciding the application the Secretary of State must have regard to:

- (a) any national policy statement which has effect in relation to development of the description to which the application relates (a “relevant national policy statement”);
 - (aa) the appropriate marine policy documents (if any), determined in accordance with section 59 of the Marine and Coastal Access Act 2009;
 - (b) any local impact report (within the meaning given by section 60(3)) submitted to the Secretary of State before the deadline specified in a notice under section 60(2);
 - (c) any matters prescribed in relation to development of the description to which the application relates; and
 - (d) any other matters which the Secretary of State thinks are both important and relevant to the Secretary of State’s decision.
- 3.2 The CPA considers the relevant documents in relation to this application from the Cambridgeshire perspective are the National Policy Statements for Energy³; the Cambridgeshire and Peterborough Minerals and Waste Core Strategy (July 2011) & the Cambridgeshire and Peterborough Minerals and Waste Site Specific Proposals Plan (February 2012) - or if appropriate as superseded by the emerging Cambridgeshire and Peterborough Local Plan; the Fenland Local Plan (May 2014); and any Local Impact Report submitted during the Examination. The National Planning Policy Framework (NPPF) 2019 is also a material consideration.
- 3.3 The emerging Cambridgeshire and Peterborough Minerals and Waste Local Plan is currently due to be considered by a Planning Inspector at an Examination in Public mid-September 2020, so planning officers have ensured that both adopted and emerging planning policies have been highlighted to MVV for consideration as part of their DCO application, to allow officers an opportunity to fully assess the proposal when it comes forward. Although the CPA officers acknowledge that this will be considered as an energy project, and approved by the Secretary of State (for Business, Energy and Industrial Strategy), rather than the Secretary of State (for Housing, Communities and Local Government) as a waste project, the use of waste as a resource to fuel the facility needs to be properly understood to be able to understand the environmental implications.

4. NSIP PRE-APPLICATION PROCESS

- 4.1 As this report has been brought to the Environment and Sustainability Committee ahead of the formal NSIP application submission, the pre-application process is currently being undertaken i.e. step 1 in Appendix 1. Therefore for the purpose of this report the pre-application stages have been split between those already undertaken by the CPA and those that officers are working towards, as set out below:

³ Overarching National Policy Statement for Energy (EN-1); National Policy Statement for Renewable Energy Infrastructure (EN-3); and National Policy Statement for Electricity Networks Infrastructure (EN-5).

Stages already completed:

- Comments relating to the consultation from the Planning Inspectorate relating to the applicant's Scoping Request (and the level of information required to be provided in the Environmental Statement (ES) for the proposed development); and
- Comments on the initial non-statutory consultation from the applicant relating to the draft Statement of Community Consultation (SOCC).

Stages currently being finalised or anticipated in due course:

- Comments on the statutory consultation from the applicant relating to the draft Statement of Community Consultation (SOCC), and how the applicant proposes to consult the stakeholders on the proposed development;
 - Comments on the consultation from the Planning Inspectorate on the final SOCC;
 - Under Section 42 of the Planning Act 2008 (as amended) comments to the applicant relating to the Duty to Consult on the scheme proposal and Preliminary Environmental Information Report (PEIR), which predicts the environmental impacts and the required mitigation measures, which should help inform the Local Impact Report at the application stage;
 - Comments to the applicant relating to scheme amendments;
 - Comments to the applicant's technical consultants Wood Environment & Infrastructure Solutions UK Ltd regarding the preparation of the Environmental Statement (ES); and
 - Comments in response to the consultation under Section 55 of the Planning Act 2008 (as amended) from the Planning Inspectorate regarding the Adequacy of Consultation, whether the applicant has met the requirement of the Act regarding how they have consulted on the proposed development.
- 4.2 'Host' authorities are strongly encouraged to use the pre-application period to start their own evaluation of the local impacts of the proposal. 'Host' authorities should then begin to compile the Local Impact Report (LIR) as soon as the application has been accepted formally by the Secretary of State and they have been invited to submit an LIR. This approach will enable the LIR to be produced within the deadlines. PINS advice is that 'Host' authorities should ensure any necessary internal authorisation processes are in place to meet the timetable (which is the basis for this report).

Impact of the Coronavirus restrictions

- 4.3 MVV notified the CPA that they had commenced their non-statutory consultation on Monday 16 March 2020 (setting out the consultation timescale of Monday 16 March to Monday 4 May 2020), highlighting the public exhibition events that had been arranged. However, on Wednesday 18 March 2020 MVV notified the CPA that following Government guidance on Coronavirus they had "*postponed*" their planned public events until "*further notice*". MVV's press notice and website text stated "*Engaging with a wide range of stakeholders remains our priority at this stage of the project, and we will undertake all planned exhibitions at the earliest opportunity. In the meantime, information is still publically available Hard copies are also available at the document inspection locations advertised (whilst these remain open)*". More recent updates from MVV have referred to a "second phase" for their non-statutory consultation process, ahead of any statutory pre-application public consultation. These consultation commitments will lead to the need for an update to their initial overall programme timetable, which is expected from the company imminently.

4.4 At the time of finalising this report, officers are still waiting to hear when the consultation events will take place under a revised timetable and when the “second phase” of the non-statutory consultation period is likely to be undertaken. These non-statutory consultation proposals are anticipated to be in addition to the statutory pre-application consultation exercise which will also be undertaken before a formal DCO application is submitted.

5. NSIP APPLICATION PROCESS

5.1 Once MVV submits their DCO application to PINS for the Medworth EfW CHP Project, currently programmed for Q4 of 2020 (although MVV has acknowledged this is likely to be delayed owing to the Coronavirus measures discussed in paragraph 4.3 above, and the published timeline of Q4 2020 is no longer likely to be achievable given their commitment to further rounds of public consultation), the project will move into the ‘acceptance’ stage as identified in Appendix 1. If their application is accepted for examination by PINS we should be notified of this, including whether the Secretary of State will appoint a single Examining Inspector, or a panel of up to five Examining Inspectors (known as the examining authority (ExA)) to examine the application. The Examination is carried out in public.

5.2 Following notification of the above, the CPA will then be notified of the preliminary meeting to discuss procedural matters. After which an Examination timetable should be set, including tight deadlines for when information needs to be submitted to PINS. At the pre-examination stage, local authorities are encouraged to continue to engage with the developer. Agreement on any remaining issues should be sought and/or negotiations continued. There may also be the need to continue negotiation in respect of any compulsory acquisition affecting the local authority’s land holdings or interests. Reaching agreement on as many issues as possible in advance of the examination is likely to lead to a more focused and expedient examination process for all participants⁴.

5.3 During the Examination, the CPA will:

- Respond to the Examining Authority’s (ExA’s) written questions which are normally based on an initial assessment of the application, (including the principal issues of the proposed scheme), and the representations received from interested parties;
- Prepare and submit to PINS a Local Impact Report (LIR), setting out the likely impacts of the proposed scheme on the County Authority’s area, by using local knowledge and robust evidence, and set out the relevant local planning policy framework and guidance⁵;
- Prepare and submit to the Planning Inspectorate a Statement of Common Ground (SOCG), a joint written statement between the applicant and the CPA and/or other parties or ‘host’ authorities, setting out matters that they agree or are in disagreement on; and
- Represent the County Council as CPA and make oral representation at the issue specific hearing(s) and if necessary the open floor hearing(s). The subject of the hearings is based on specific elements / issues of the application that are raised during the NSIP process.

5.4 There is also provision in the Planning Act 2008 (as amended) for the applicant to apply for other consents, for example Compulsory Purchase Order (CPO) and drainage consents,

⁴ Paragraph 7.1 of PINS Advice Note 2 https://infrastructure.planninginspectorate.gov.uk/wp-content/uploads/2015/03/Advice_note_2.pdf

⁵ Consideration will be given to producing a joint LIR. The local authorities are able to submit separate written representations if they wish to express a particular view on whether the application should be granted.

deemed by a DCO.

5.5 To avoid any undue delay to the NSIP process and Examination it is important that the tight deadlines set out in the Examination Timetable are met. The timescale for handling an NSIP application are set out in the legislation. It is noted that PINS as the Examining Authority may disregard late responses, which is why officers are seeking to follow PINS guidance and get delegations set up at the pre-application stage. Irrespective of any delegations passed to officers to meet the necessary timescales set by legislation, the following is proposed to be followed to ensure good practice and ensure an open and transparent decision making process:

- Key documentation and updates to be provided by the CPA to members of E&S Committee and local Wisbech County Councillors by e-mail at the earliest opportunity to ensure that key deadlines are known in advance and any comments on the documentation provided as early as possible, particularly during the 28 day deadlines;
- Responses to PINS to either be circulated to members of E&S Committee and local Wisbech County Councillors by e-mail for their records, or where time is permitting the draft response taken to E&S Committee for endorsement; and
- Where deemed necessary, member briefings or specific topic meetings will be set up to provide guidance on the NSIP process and technical responses provided.

6. ALIGNMENT WITH CORPORATE PRIORITIES

6.1 A good quality of life for everyone

As this is not a County Council proposal there are no specific significant implications identified by officers for this priority. However, any NSIP response provided by the CPA will (where applicable) ensure that the environmental information produced is capable of assessing this priority before a recommendation is provided by PINS and a decision reached by the Secretary of State.

6.2 Thriving places for people to live

As set out in paragraph 6.1.

6.3 The best start for Cambridgeshire's children

As set out in paragraph 6.1.

6.4 Net zero carbon emissions for Cambridgeshire by 2050

As set out in paragraph 6.1. However, this will include specific consideration of a carbon assessment as part of the wider environmental information.

7. SIGNIFICANT IMPLICATIONS

7.1 Resource Implications

The following bullet points set out details of significant implications identified by officers:

- **Finance** – The cost of processing the NSIP application will need to come from the existing revenue budget. As the application is handled by PINS no planning fees are received from the applicant. Officers have negotiated a Planning Performance Agreement for the pre-application advice stage, to try to resource the project and reduce the cost to the public purse, but this is unlikely to cover the true cost of the resource and specialist advice required to assess the DCO application and any discharge requirements (like planning conditions) that would arise from any consent granted. This is in addition to existing pressures already identified as a result of the COVID-19 situation.
- **Staff** – As a statutory consultee in the initial NSIP process and determining authority post NSIP decision if granted, the resources to deal with the application are taken from the County Planning, Minerals and Waste Team staffing resources that are already stretched.
- **Property** – The development has no property implication from the Planning Regulatory perspective, other than the application key timescales have the potential to coincide with the move away from Shire Hall, where officer time may be taken away on prioritising the movement and safekeeping of planning records.
- **IT** - The development has no IT implications from the Planning Regulatory perspective, other than the application key timescales have the potential to coincide with the move away from Shire Hall so it will be essential that access to the IT systems to provide timely responses is prioritised.

7.2 Procurement/Contractual/Council Contract Procedure Rules Implications

The following bullet points set out details of implications identified by officers:

- **Procurement** – Where specialist officer advice does not exist within the Council or at Fenland District Council e.g. Air Quality, Carbon Assessment and Landscape & Visual Impact guidance, relevant specialists have been procured to ensure that the Council has guidance on the key specialist areas. This has been procured on the basis of covering implications across the whole of Cambridgeshire, including joint assessment with Fenland District Council, to ensure that both authorities have the relevant specialist advice to allow officer comments to be provided on technical matters.
- **Contractual / Council Contract Procedures** – Any specialist advice required to inform this project will need to ensure it meets Council procedures, in addition to the financial implications discussed in paragraph 7.1 above.

7.3 Statutory, Legal and Risk Implications

There are no significant implications for this priority, other than the financial and resource implications required to support this project, which has the potential to include significant legal advice.

7.4 Equality and Diversity Implications

There are no significant implications for this priority.

7.5 Engagement and Communications Implications

There are no significant implications for this priority that are not capable of being covered by responses to the applicant's Statement of Community Consultation.

7.6 Localism and Local Member Involvement

The following bullet points set out details of implications identified by officers:

- **Localism** – As this proposal is deemed to be a Nationally Significant Infrastructure Project (NSIP) the decision will not be made by the County Council. It will be essential therefore that the Council as a statutory consultee provides the 'local' knowledge to help inform the Secretary of State's decision.
- **Local Member Involvement** – PINS guidance sets out the role of the local authority, and officers will ensure that local members are kept informed at key stages in the NSIP process. However, it is noted that local members have already voiced their strong concerns about MVV's proposal, alongside the company's public consultation exercise and cancellation of public events, which has been acknowledged by officers.

7.7 Public Health Implications

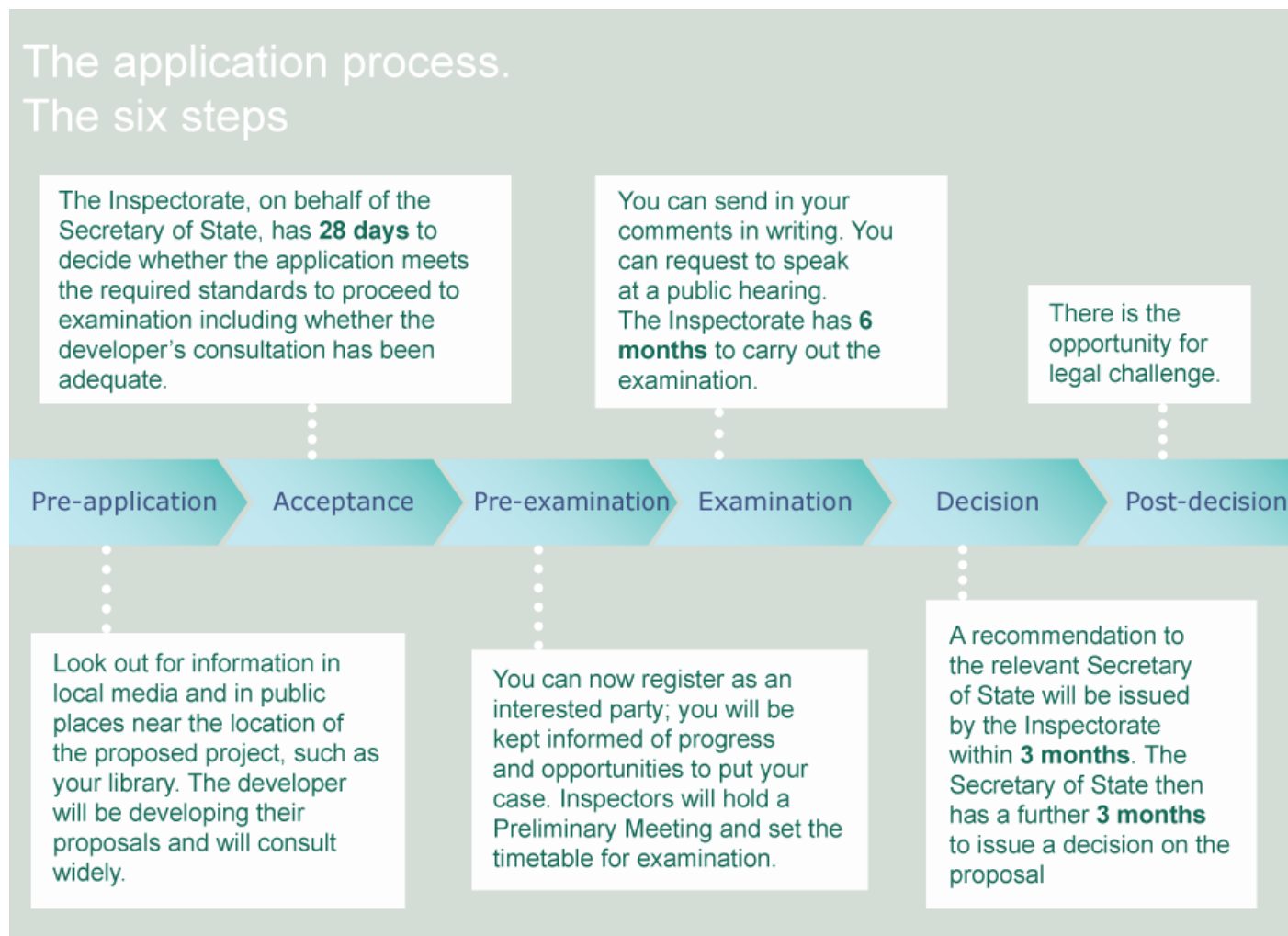
There are no significant implications for this priority that are not capable of being addressed through comment on the applicant's EIA and the DCO application. However, public health colleagues have been involved in early consideration of MVV's proposal and in providing technical guidance on health impact assessment and air quality issues as part of the pre-application advice provided to date, so this key involvement will continue alongside co-ordination with environmental health officers at the District Council and our procured Air Quality Consultant. This is in addition to any liaison with Public Health England colleagues, Environment Agency colleagues or counterpart officers at Norfolk County Council, to ensure a robust professional view is provided on behalf of the Council.

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes Name of Financial Officer: Sarah Heywood
Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement?	Yes Name of Officer: Gus de Silva
Has the impact on statutory, legal and risk implications been cleared by the Council's Monitoring Officer or LGSS Law?	Yes Name of Legal Officer: Fiona McMillan
Have the equality and diversity implications been cleared by your Service Contact?	Yes Name of Officer: Elsa Evans
Have any engagement and communication implications been cleared by	Yes Name of Officer: Sarah Silk

Communications?	
Have any localism and Local Member involvement issues been cleared by your Service Contact?	Yes Name of Officer: Quinton Carroll
Have any Public Health implications been cleared by Public Health	Yes Name of Officer: Iain Green

Source Documents	Location
Planning Inspectorate (PINS) National Significant Infrastructure Project (NSIP) Guidance and Advice Notes;	https://infrastructure.planninginspectorate.gov.uk/legislation-and-advice/advice-notes/
NSIP Energy Policy Statements;	https://www.gov.uk/government/publications/national-policy-statements-for-energy-infrastructure
Planning Act 2008 (as amended);	http://www.legislation.gov.uk/ukpga/2008/29/contents
MVV Medworth EfW CHP Project website;	https://www.mvv-medworthchp.co.uk/
PINS Project Page for MVV Medworth EfW CHP NSIP Project;	https://infrastructure.planninginspectorate.gov.uk/projects/eastern/medworth-energy-from-waste-combined-heat-and-power-facility/
The National Planning Policy Framework (NPPF) (2019)	https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/810197/NPPF_Feb_2019_revised.pdf

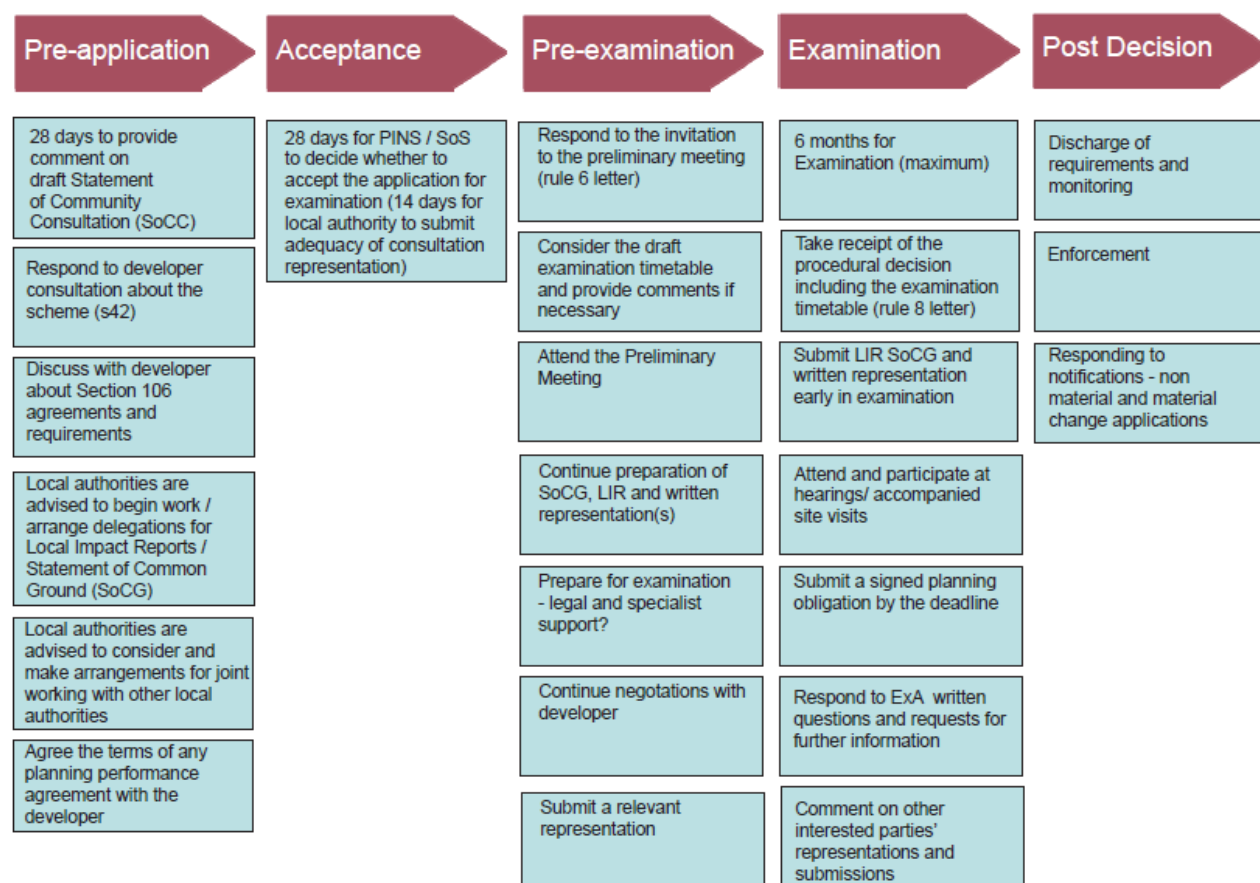
Appendix 1: The six steps of the NSIP DCO process under the 2008 Act⁶



⁶ Source PINS website <https://infrastructure.planninginspectorate.gov.uk/wp-content/uploads/2013/03/Application-process-diagram2.png>

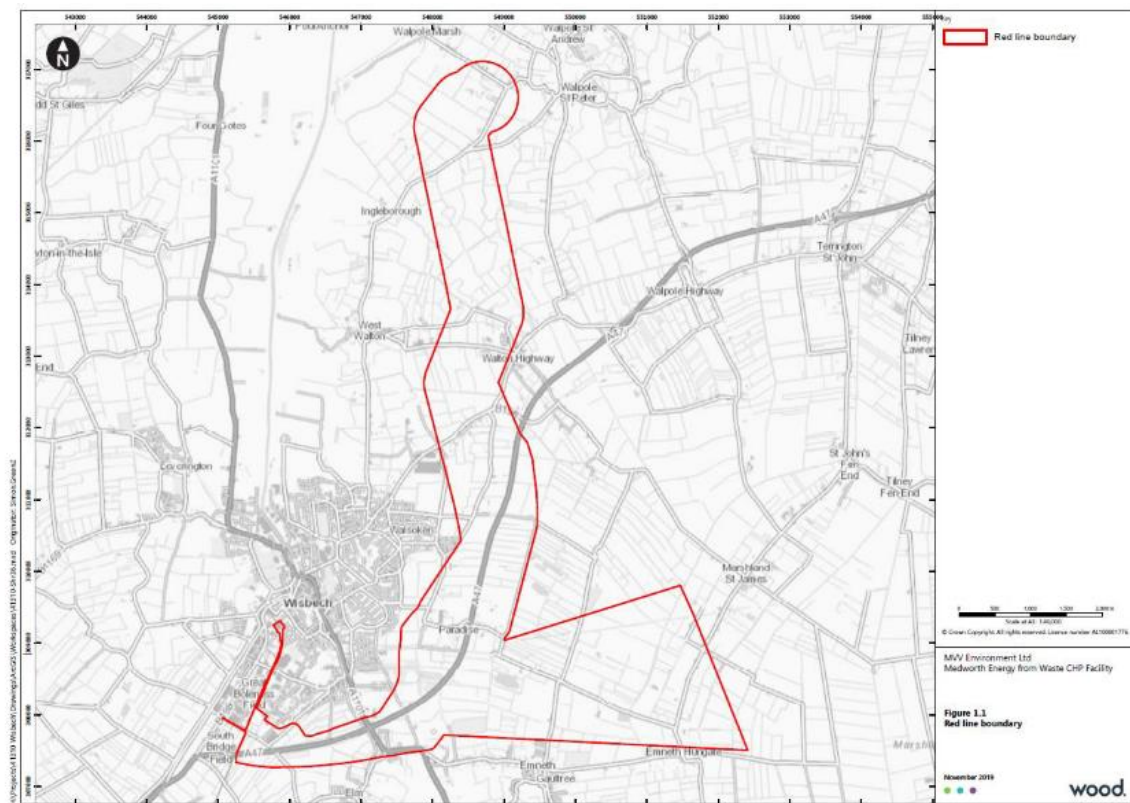
Appendix 2: The role of local authorities⁷

The role of local authorities

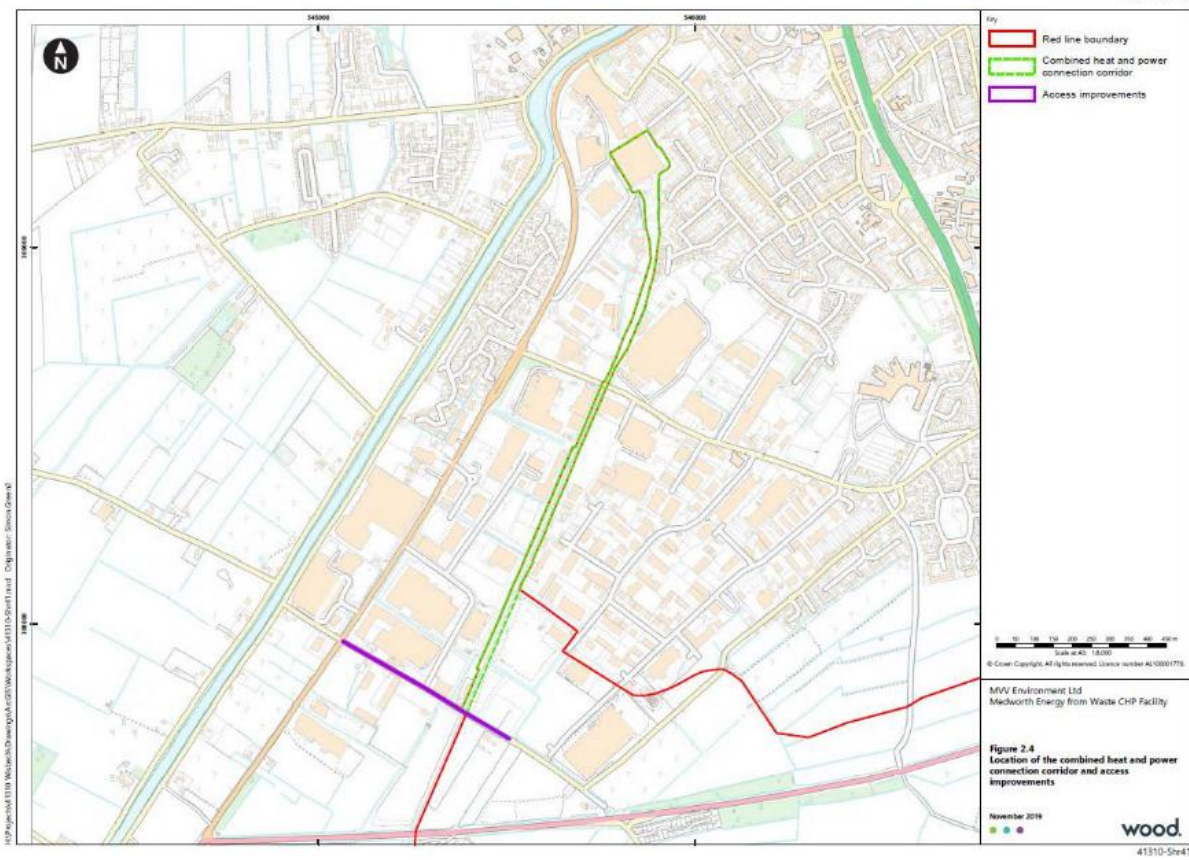
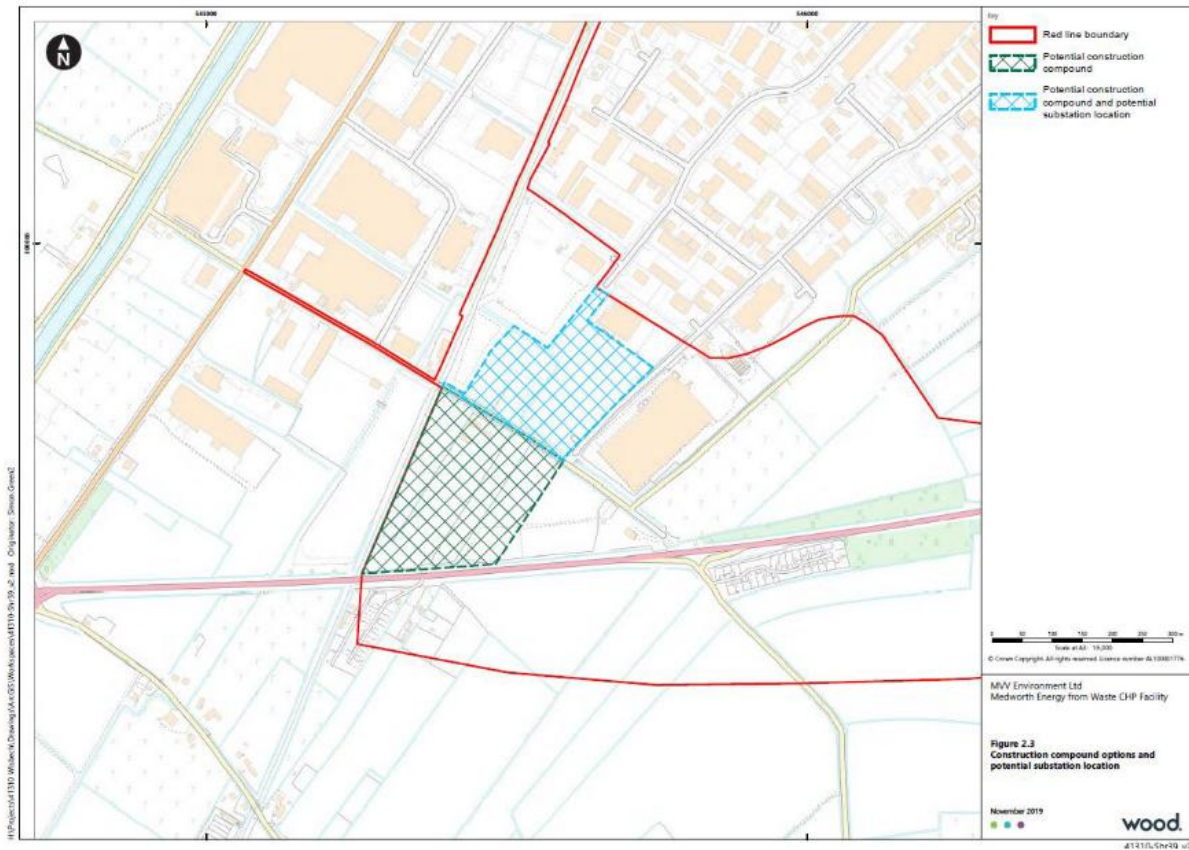


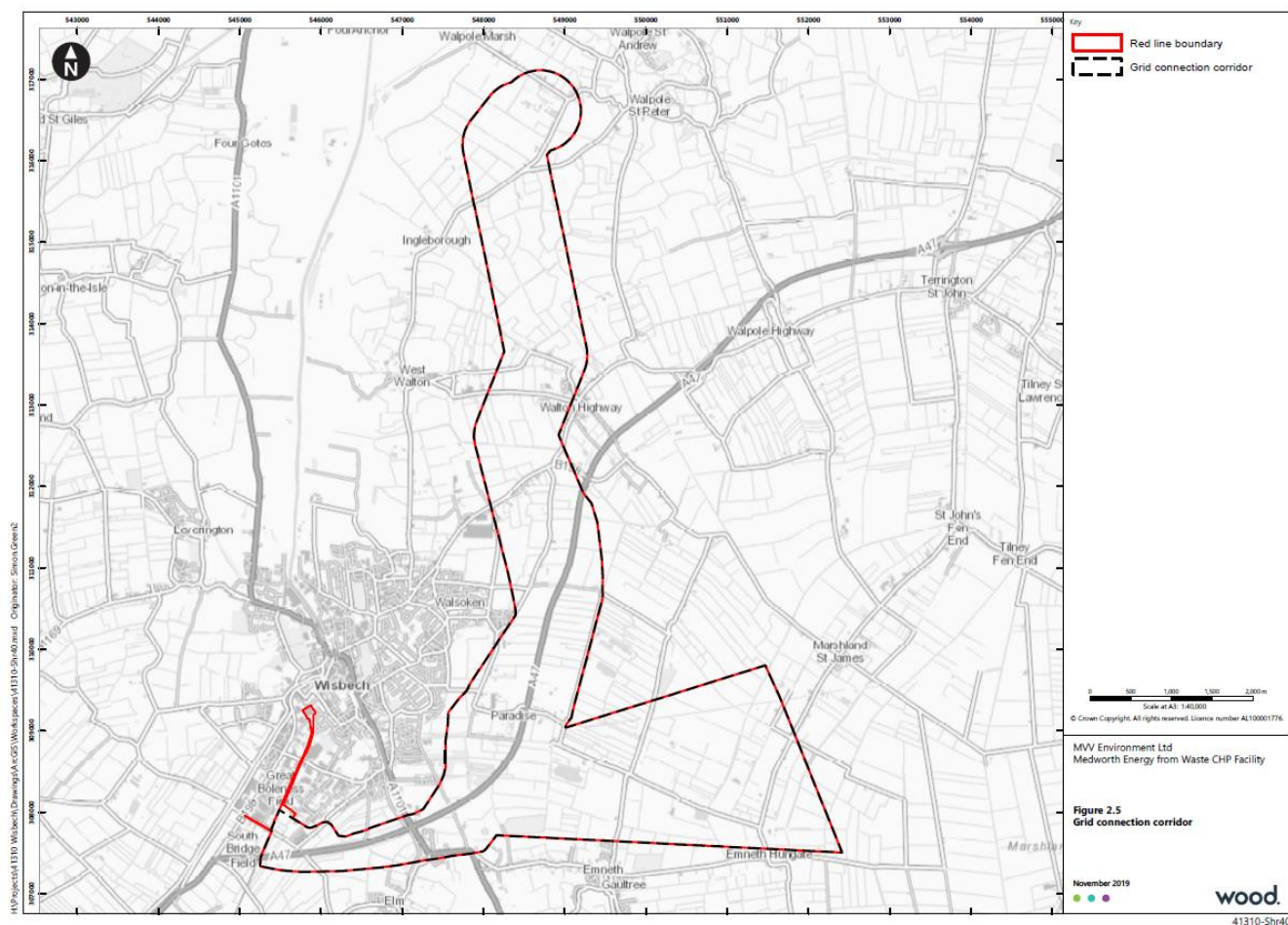
⁷ Source PINS Advice Note 2 https://infrastructure.planninginspectorate.gov.uk/wp-content/uploads/2015/03/Advice_note_2.pdf

Appendix 3: The red line plans for the MVV proposal ⁸



⁸ Source MVV Scoping Report – Red Line Boundary Plan (Figure 1.1), Surroundings to the Site (Figure 2.2), Construction Compound Options (Figure 2.3), Combined Heat and Power Corridor and Access Improvements (Figure 2.4), and Grid Connection Corridor (Figure 2.5).





INTERNAL MEMBER ADVISORY GROUP FOR GREEN PROJECT INVESTMENTS

To: Environment and Sustainability Committee

Meeting Date: 25th June 2020

From: Steve Cox - Executive Director, Place and Economy

Electoral division(s): All

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

Outcome: To appoint Members to a cross party Internal Advisory Group to inform better decision making on Green Project Investments at Committee.

Recommendation: Committee is asked to:

- Note and comment on Appendix A: the Draft Terms of Reference for the Internal Advisory Group; and
- Nominate the proposed 5 cross party Members to the Internal Advisory Group based on the political makeup of the Council i.e. 3 Conservatives, 1 Liberal Democrat and 1 Labour Member.

<i>Officer contact:</i>		<i>Member contacts:</i>	
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Tel:	01223 728552	Tel:	01223 706398

1. BACKGROUND

- 1.1 The Climate Change and Environment Strategy includes a section on greening finance. This covers both how the Council uses its assets to develop and invest in green projects as well as developing new green finance mechanisms or business models which can be adopted and scaled to support the delivery of the Council's policy ambitions.
- 1.2 There are a number of work programmes running across the Council developing green projects and new business models. For example, the Energy Investment Unit runs community energy, schools and low carbon heating programmes, whilst other teams such as the Flood Risk and Biodiversity Team are working on new green finance initiatives for funding natural capital projects.
- 1.3 Appointing Members to an internal working group to steer the detail on green project investments during project development, will result in better, more informed decisions at Committee and improved outcomes.

2. MAIN ISSUES

- 2.1 Developing green projects and new business models can be complex. For example, in May 2020, Commercial and Investment Committee supported the outline business case for the Swaffham Prior Community Heat Project and its further commercialisation. An Investment Grade Proposal will come forward to Environment and Sustainability Committee in October 2020 for a decision, but during the next three months business critical decisions on risk/reward will be made as part of the commercialisation of the project which would benefit from a Member steer.
- 2.2 It is recommended that a cross party, internal Advisory Group (based on the political makeup of the Council i.e. 3 Conservatives, 1 Liberal Democrat and 1 Labour Member) is set up to provide a steer on new ideas, concepts and projects and work through complex contractual discussions to build detailed understanding. This will inform and improve Council decision making in this new area of green projects and investments. The details of the proposed Terms of Reference can be found at Appendix A.

3. ALIGNMENT WITH CORPORATE PRIORITIES

3.1 A good quality of life for everyone

There are no significant implications identified.

3.2 Thriving places for people to live

As above.

3.3 The best start for Cambridgeshire's children

As above.

3.4 Net zero carbon emissions for Cambridgeshire by 2050

Green project investments and financing mechanisms will identify future carbon and other

environmental policy benefits and support the achievement of this corporate objective.

4. SIGNIFICANT IMPLICATIONS

4.1 Resource Implications

The cross-party, internal Member Advisory group will need to dedicate time to meetings and reading some detailed documents to provide a steer. Officer time will be required to support members build their knowledge and understanding.

4.2 Procurement/Contractual/Council Contract Procedure Rules Implications

As set out in section 2 this will provide for better informed decision making on green project investments, new green finance mechanisms and their associated contracting arrangements. The Internal Member Advisory Group is not a decision making body but to provide a political steer through different stages of project development.

There are no procurement implications.

4.3 Statutory, Legal and Risk Implications

As above.

4.4 Equality and Diversity Implications

There are no significant implications identified.

4.5 Engagement and Communications Implications

There are no significant implications identified.

4.6 Localism and Local Member Involvement

There are no significant implications identified.

4.7 Public Health Implications

There are no significant implications identified.

Implications	Officer Clearance
Have the resource implications been cleared by Finance?	Yes Name of Financial Officer: Sarah Heywood
Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement?	Yes Name of Officer: Gus de Silva
Has the impact on statutory, legal and risk implications been cleared by LGSS Law?	Yes Name of Legal Officer: Fiona McMillan
Have the equality and diversity implications been cleared by your Service Contact?	Yes Name of Officer: Elsa Evans
Have any engagement and communication implications been cleared by Communications?	Yes Name of Officer: Eleanor Bell
Have any localism and Local Member involvement issues been cleared by your Service Contact?	Yes Name of Officer: Emma Fitch
Have any Public Health implications been cleared by Public Health	Yes Name of Officer: Iain Green

Source Documents	Location
The Council's approved Climate Change and Environment Strategy and Action Plan	Link to Cambridgeshire County Council Full Council 19 th May 2020 https://tinyurl.com/yazhcd7j

Appendix A: Draft Terms of Reference

Internal Member Advisory Group for Green Project Investments and new Finance Mechanisms V 0.1 DRAFT

1.0 Purpose and role of the Group

- To build a deeper understanding of green project business cases and new finance mechanisms;
- To provide a steer on detailed negotiations on new green commercial contracts where risk/rewards need to be balanced; and
- To inform better decision making at Council meetings for complex green investment projects.

2.0 Frequency of meetings:

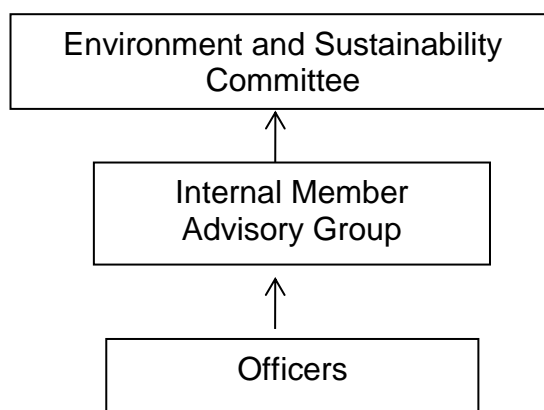
Once every two months but additional meetings may be required if detailed discussions are required on any particular project.


3.0 Details of the Advisory Group Members

It is proposed 5 members are appointed to the Advisory Group reflecting the political makeup of the Council (3:1:1, Conservatives, Liberal Democrats and Labour).

Please note: This group will not make investment decisions.

4.0 Governance



ENVIRONMENT AND SUSTAINABILITY POLICY AND SERVICE COMMITTEE AGENDA PLAN	Published on 1 June 2020	 Cambridgeshire County Council
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Notes

Committee dates shown in bold are confirmed.

Committee dates shown in brackets and italics are reserve dates.

The definition of a key decision is set out in the Council's Constitution in Part 2, Article 12.

* indicates items expected to be recommended for determination by full Council.

+ indicates items expected to be confidential, which would exclude the press and public.

Draft reports are due with the Democratic Services Officer by 10.00 a.m. eight clear working days before the meeting.

The agenda dispatch date is six clear working days before the meeting.

The following are standing agenda items which are considered at every Committee meeting:

- Minutes of previous meeting and Action Log;
- Agenda Plan, Appointments to Outside Bodies and Training Plan;

Committee date	Agenda item	Lead officer	Reference if key decision	Deadline for draft reports	Agenda despatch date
25/06/20	Renewable Heating Programme (Environment Fund)	Sarah Wilkinson	2020/030	15/06/20	17/06/20
	Wisbech MVV Medworth Energy from Waste Combined Heat and Power Proposal	Emma Fitch	Not applicable		
	Internal Member Advisory Group for Green Project Investments.	Sheryl French	Not applicable		
	Covid-19 Highlight Report	Steve Cox	Not applicable		
09/07/20	Approve Grid Connection Costs for St Ives Smart Energy Grid.	Cherie Gregoire	Not Applicable	26/06/20	30/06/20

Committee date	Agenda item	Lead officer	Reference if key decision	Deadline for draft reports	Agenda despatch date
	Swaffham Prior Community Heat Project: Heat Supply Agreement and Retail Offer for consultation	Sheryl French			
	Environment Fund Business case for school heat pump development	Sheryl French	TBC		
	Covid-19 Highlight Report	Steve Cox	Not applicable		
13/08/20	Covid-19 Highlight Report	Steve Cox	Not applicable	01/08/20	04/08/20
17/09/20	North East Cambridge AAP Consultation Response	David Carford	Not applicable	04/09/20	08/09/20
	Milton Household Recycling Centre	Adam Smith	2020/013		
	Approval of Flood Risk Management Data	Julia Beeden	Not applicable		
	Approach to Fens Flood Tactical Plan	Julia Beeden	Not applicable		
	Local Plans Paper	Juliet Richardson	Not applicable		
	West Cambridge Master Plan Response	J Richardson D Allatt	Not applicable		
	Performance Report	Business Intelligence Matthew Tullet	Not applicable		
15/10/20	Business Planning	Steve Cox	Not applicable	02/10/20	06/10/20
	Risk Register Review	Steve Cox	Not applicable		
19/11/20	Business Planning (Reserve in case of additions)		Not applicable	06/11/20	10/11/20
10/12/20	Business Planning	Steve Cox	Not applicable	27/11/20	01/12/20
	Performance Report	Business Intelligence Tom Barden	Not applicable		

Committee date	Agenda item	Lead officer	Reference if key decision	Deadline for draft reports	Agenda despatch date
14/01/21				04/01/21	06/01/21
11/02/21 (reserve)				29/01/21	02/02/21
11/03/21	Performance Report		Not applicable	26/02/21	02/03/21
08/04/21 (reserve)				26/03/21	30/03/21
10/06/21	Notification of the Appointment of the Chairman/Chairwoman and Vice Chairman/Chairwoman	Democratic Services		28/05/21	01/06/21

ENVIRONMENT AND SUSTAINABILITY COMMITTEE TRAINING PLAN

Ref	Subject	Desired Learning Outcome/Success Measures	Date	Responsibility	Attendance by:
1.	Waste PFI overview – to ensure Members have an understanding of the PFI contract and how waste is managed across the county		August 2020	Quinton Carroll	
2.	Climate Change Strategy – to ensure Members have an understanding of the Council's actions on Climate change and the Environment Strategy		July 2020	Sheryl French	
3.	How to respond to a consultation response		13 th August 2020.	Juliet Richardson	
4.	Green strategies and national work including the Future Parks Accelerator		September 2020	Quinton Carroll	
5.	Energy Projects through Energy Investment Unit		July 2020	Sheryl French	

