

**DRAFT UPDATED CORPORATE ENERGY STRATEGY AND ACTION PLAN**

*To:* **General Purposes Committee**

*Meeting Date:* **16th July 2019**

*From:* **Gillian Beasley, Chief Executive**

*Electoral division(s):* **All**

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

*Purpose:* **To share an updated draft Corporate Energy Strategy and Action Plan for the Council.**

*Recommendation:* **The Committee is asked to comment on and approve:**

- a) Appendix A, the updated Corporate Energy Strategy;**
- b) Appendix B, a dynamic action plan that supports the delivery of the Energy Strategy; and**
- c) Proposals for coordinating action plan delivery and progress reporting as set out in paragraph 2.5 and 2.6**

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## 1. BACKGROUND

- 1.1 In March 2017, the Council adopted its Corporate Energy Strategy with the ambition to develop an action plan to implement and monitor the delivery of the strategy. The action plan was to be developed with inputs from across the Council ensuring the strategy was embedded in a number of key programmes including Greater Cambridge City Deal; Connecting Cambridgeshire; Farm Estate Strategy; transport planning as well as contracts including waste, highways and lighting.

## 2. MAIN ISSUES

- 2.1. Since the Council adopted its Corporate Energy Strategy in March 2017, Government has published its Industrial and Clean Growth Strategies, both of which promote cutting greenhouse gas (GHG) emissions whilst recognising a successful economy requires a transformation of the UK's energy system.
- 2.2 Critically, three of the four grand challenges in the Industrial Strategy rely on changes to the UK's energy system to deliver:
  - Clean power to support growth in artificial intelligence and data revolution capabilities
  - Clean power to shape electrification of transport and become world leading in mobility services
  - Smart energy system changes that balance supply and demand of electricity whilst at the same time reducing energy demand in our buildings and services
- 2.3 The March 2017 Strategy has been updated in collaboration with Peterborough City Council to reflect Government's policy ambitions. The resulting strategy is shared across both Councils and will provide a mutual platform for learning together and collaborating on projects. Please see **Appendix A**.
- 2.4 The Action Plan is attached as **Appendix B**. This identifies potential projects from across the Council and in Peterborough to deliver the ambitions of the strategy. It has been developed in collaboration with Council services during 2018 and Peterborough added their actions during 2019. It demonstrates some aspirational longer-term projects alongside more achievable short-term projects. The idea is to develop and scope projects to identify business cases for discussion and agreement with committees. Some projects may look to access transformation funding whilst others may require investment or grants. There will be some projects that are not feasible in the short term owing to cost or policy barriers and there is the possibility that new projects could emerge for inclusion in the action plan. It is important that the plan is dynamic and able to flex and respond to new project ideas, policy and other drivers.
- 2.5 The Energy Strategy is a mechanism to deliver transformation and change. It will be important for individual services to develop energy projects within their service expertise as this will offer learning opportunities and build awareness around energy and carbon management. The Council's Energy Manager will look to support services, and encourage teams to develop projects. This can be coordinated through

the establishment of a cross-service project board.

- 2.6 In the short term, it is proposed that the Council's Energy Manager reports progress on the action plan every six months to Committee. In the longer term, the intention will be for the Energy Strategy and Action plan to sit within the Climate Change and Environment Strategy (CCE), which is currently being developed. A baseline for energy and carbon emissions for the Council's consumption across its buildings, service delivery and transport mileage is under development by the Energy Investment Unit to inform both strategies.

### **3. ALIGNMENT WITH CORPORATE PRIORITIES**

#### **3.1 A good quality of life for everyone**

The strategy should contribute towards improved local energy security and contribute to clean growth and low carbon economy. Benefits to the local economy will come through the design and delivery of new and innovative projects on the Council's assets; generating local renewable energy and potentially reducing the Council's costs for landfilling waste.

#### **3.2 Thriving places for people to live**

The strategy will look to its assets to support communities to reduce their dependency on fossil fuels. The Council will look to reduce energy consumption to save money and generate energy to sell for income to support front line services needed by its communities. In addition, schemes for collective buying of energy help residents and businesses reduce energy bills and manage energy costs.

#### **3.3 The best start for Cambridgeshire's children**

The resulting projects when they come forward could have a beneficial impact on health through improving air quality, and reducing fossil fuel emissions.

### **4. SIGNIFICANT IMPLICATIONS**

#### **4.1 Resource Implications**

The implementation of the Action Plan has implications including:

- *Making better use of our assets.* Investment in energy projects, particularly on county owned land, has the potential to provide a financial return.
- *Development costs.* The Council will be taking the up-front development risk on larger projects. If a project is successful, development costs are repaid. However, some projects may not be delivered for technical or other reasons despite costs being incurred. However, the assumption will be that revenue generating schemes will need to cover all development costs.

- *Public Works Loan Board (PWLB) borrowing.* Financing new energy schemes may require the Council to continue to provide funding, e.g. by borrowing from the Public Works Loan Board. The Council will continue to carefully manage risks to projects.
- *Property implications.* There is a range of opportunities to explore for the Council's property and land assets. It is important for close collaboration to ensure projects are not competing or compromised by different agendas.
- *Staff resources:* Support from the Energy Manager can be provided to teams but services will need to provide capacity to develop new projects. This resourcing could be covered by savings from the implementation of a project within a service, or applications to the transformation fund may be appropriate where service changes and improvements are identified.

#### **4.2 Procurement/Contractual/Council Contract Procedure Rules Implications**

The Council has procured an Energy Services Company called Bouygues Energies and Services Ltd to provide engineering expertise and capacity for development of larger projects. Within Facilities Management, Imtech are procured for routine maintenance. Additional procurements may be required if specialist technical or consultancy advice is needed.

#### **4.3 Statutory, Legal and Risk Implications**

Investment decisions will be made on a project-by-project basis, based on a sound business case with relevant committees.

#### **4.4 Equality and Diversity Implications**

The Energy Strategy does not have significant implications relating to equality and diversity, and no foreseeable potential negative impacts. The Strategic Focus Areas and intended Outcomes in the Strategy will have potential positive impact for some protected groups e.g. for older people through greater energy efficiency to keep warm, for children and older people through improved air quality. When individual projects are developed and brought forward for investment decision, equality/ community impact assessments will be required for eligible projects. Strong engagement with services and protected groups will be needed at early stages of project design.

#### **4.5 Engagement and Communications Implications**

Individual energy projects will need to undertake community engagement and public consultation to secure local benefits. In addition, compliance with national and local planning policies will be required.

#### **4.6 Localism and Local Member Involvement**

There are no significant implications within this category.

#### 4.7 Public Health Implications

There are no significant adverse impacts from the Strategy and Action only positive air pollution and climate change benefits that support health.

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

#### **SOURCE DOCUMENTS**

<b>Source Documents</b>	<b>Location</b>
General Purposes Committee – 21 March 2017	<a href="https://cambridgeshire.cmis.uk.com/ccclive/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/187/Committee/2/Default.aspx">https://cambridgeshire.cmis.uk.com/ccclive/Meetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/187/Committee/2/Default.aspx</a>