

Agenda



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A meeting of the
Climate Emergency Advisory Committee
will be held on Monday, 7 September 2020 at 6.00 pm

Virtual meeting – view live at
<https://www.youtube.com/channel/UCTj2pCic8vzucpzlaSWE3UQ>

Members of the Committee:

Councillors

David Grant (chair),
Amos Duveen (vice chair),
Eric Batts,
Eric De La Harpe,
Hayleigh Gascoigne,
Alison Jenner
Max Thompson

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A handwritten signature in black ink, appearing to read 'M Reed'.

Margaret Reed
Head of Legal and Democratic

Agenda

Open to the Public including the Press

1. Chairman's announcements

To receive any announcements from the chairman and general housekeeping matters.

2. Apologies for absence

To record apologies for absence and the attendance of substitute members.

3. Declarations of interest

To receive any declarations of disclosable pecuniary interests in respect of items on the agenda for this meeting.

4. Urgent business

To receive notification of any matters which the chairman determines should be considered as urgent business and the special circumstances which have made the matters urgent.

5. Minutes of the last meeting

(Pages 4 - 7)

To review the minutes of the last meeting on 01 July 2020, and for the Chairman to sign them as a correct record of the meeting.

6. Public participation

To receive any questions or statements from members of the public that have registered to speak.

7. Power Purchase Agreement

(Pages 8 - 12)

For the committee to review the opportunity to enter into negotiations with the Low Carbon Hub and other Oxfordshire Councils, on a potential Power Purchase Agreement. Committee to make recommendations to Cabinet

8. England's Economic Heartland - transport strategy consultation

For the committee to review the transport strategy consultation materials and consider their input to

Cabinet and planning policy officers, for inclusion into the Councils submission into the consultation.

Consultation documents are located here:

<http://www.englandseconomicheartland.com/Pages/transport-strategyconsult.aspx>.

9. Updates from the Task and Finish groups

Committee to be updated on task and finish group meetings that have taken place, including the design guide and biodiversity.

10. Any other business

Minutes

of a meeting of the

Climate Emergency Advisory Committee

held on Wednesday 1 July 2020 at 6.00 pm
This was a virtual, online meeting

Open to the public, including the press

Present:

Members: Councillors David Grant (Chair), Amos Duveen (Vice-Chair), Eric Batts, Eric de la Harpe, Hayleigh Gascoigne, Alison Jenner, and Max Thompson

Officers: Steve Culliford, Steven Corrigan, Bex Harvey, Dominic Lamb, Adrianna Partridge, Heather Saunders and Michelle Wells

Also present: Councillors Debby Hallett and Bob Johnston

9. Chairman's announcements

The chairman welcomed everyone to the meeting, a green, virtual meeting to reflect the green recovery from the Covid-19 pandemic.

The chairman re-ordered the agenda by moving 'public participation' item so that it could be considered earlier in the meeting and asked that this was replicated for future agendas.

10. Apologies for absence

None

11. Minutes

RESOLVED: to adopt the minutes of the committee meeting held on 1 June 2020 and agree that the chairman signs them as a correct record.

12. Declarations of interest

None

13. Urgent business

None

14. Public participation

Extinction Rebellion Abingdon submitted the following written statement, complete with a model supplementary planning document. This was circulated to the committee in advance of and read out at the meeting:

“We attach a model Supplementary Planning Document (SPD) that has been designed to help Local Planning Authorities to bring their policies up to date and treat the emergency declared by the VWHDC in 2019 as an 'emergency' and not wait until 2021 when a year would have been wasted.

This model SPD covers a range of development types and addresses the climate and biodiversity impacts, including zero carbon building and sustainable transport infrastructure for all new developments. An SPD requires 6 weeks for public consultation (may be more time for evidence gathering that has been done in the model SPD). It is based on a range of Government published and/or supported documents and, when adopted, should carry significant weight in making planning decisions by the Local Planning Authority and at appeal.”

The committee welcomed the suggestion of detailed planning guidance to tackle the climate emergency. It was agreed that this suggestion should be considered in detail at a task and finish group meeting when the new Local Plan Design Guide was to be considered. This was due to take place in July.

The committee also discussed South Oxfordshire District Council's Climate Emergency Advisory Committee's action in seeking legal advice. The committee had asked whether new laws on new development being zero-carbon in build and operation could override the Local Plan. The committee supported South Oxfordshire's committee's request for legal advice.

RESOLVED: to

- (a) ask the committee's task and finish group to consider the suggestion of a supplementary planning document to tackle the climate emergency, when the group considers the draft Local Plan Design Guide in July; and
- (b) support South Oxfordshire District Council's Climate Emergency Advisory Committee in seeking legal advice on whether new laws requiring new development to be carbon-zero in build and operation can override the Local Plan.

15. The Corporate Plan 2020-24

The committee was addressed by the Cabinet member responsible for the corporate plan. The Cabinet member outlined Cabinet's developing thinking on the new draft corporate plan for 2020 to 2024, in particular highlighting the vision, themes, programmes and example projects, especially in relation to the climate emergency. The ability of the council to deliver would be largely dependent on the continued availability of finance and on the future of local government in Oxfordshire.

The committee considered the draft corporate plan vision, themes, programmes and example projects in detail. The committee particularly welcomed the green concepts in the plan. However, councillors suggested some changes and asked the Cabinet member to

consider these before Cabinet approved the draft plan for consultation during the summer. These suggestions included:

- In the Vision statement, amend the second sentence to read: “We will do all we can to contribute to making that a reality in the Vale, **within the scientific (or ecological) constraints of our physical environment on planet earth.**”
- In all themes, consider emphasising sustainability
- In theme 1, providing the homes people need, amend paragraph 1.2 to read: “We will aim to provide a mix of tenures in each development **to build sustainable homes in balanced and sustainable communities.**”
- Theme 2, tackling the climate emergency, received the committee’s support, but suggest amending paragraph 2.1 to read: “A climate emergency programme, focussed on what the council has control over, **such as our own buildings, vehicles, leisure and arts centres, working towards our targets.**”
- In theme 4, building stable finances, paragraph 4.2, clarify the term ‘financially sensible’ to reflect the need to protect finances for the long-term benefit of residents
- In theme 6, working in an open and inclusive way, the committee supported the example project on a youth council and would like to see equalities mentioned

RESOLVED: to request the Cabinet member for corporate services to take the suggested changes set out above into consideration before recommending the draft corporate plan to Cabinet on 10 July 2020.

16. The Green Recovery from Covid-19

The committee considered the report of the acting deputy chief executive – transformation and operations. The report provided a summary of the national government and Oxfordshire councils’ anticipated approach to the Covid-19 recovery, predominantly focusing on a green recovery, although elements of economic, health and social recovery were included also.

The committee noted that officers were developing the council’s wider recovery plan, working closely with partners across the Oxfordshire. The recovery plan would link to internal themes such as business continuity, the corporate plan, the transformation agenda, and workforce and culture. Furthermore, it would take into consideration the financial impact of Covid-19 and any new obligations from the government. This presented an opportunity for the committee to reflect whether it wished to re-prioritise, re-focus, or suggest some new areas of work for inclusion in the recovery plan, or for the committee to update its year one work programme.

The committee noted that Oxfordshire County Council had published its plans for greener streets. The committee welcomed any measures that reduced car use and made streets greener and more pedestrian friendly. It was noted that this council had representation on the county council’s working group to influence these measures. The chairman reported that he had written to the county’s leader on this topic, as requested by committee at its last meeting. Officers agreed to send committee members to website link to view the county council’s plans.

The committee applauded the efforts made by officers in keeping the council’s services running under the Covid-19 pandemic lockdown. Most staff were now working from their homes. The committee asked officers to consider whether a future staff survey could include questions around the impact of the lockdown on their working patterns, particularly in commuting to and from and travelling during their work.

The committee concurred with the principles set out in the report but was keen to influence the recovery plan. It was agreed that this should be referred to the committee's task and finish group for detailed consideration.

Officers also reported on the Local Government Association's webinar that had looked at green recovery best practice. Officers agreed to provide committee members with the link to view the event online.

RESOLVED: to

- (a) note the key themes and policy thinking of using the Covid-19 recovery to accelerate and prioritise green initiatives and contribute to climate change action, and how this could impact the progression and steer of the projects within the Climate Emergency Year One Work Programme 2020/21 and feed into the council's emerging recovery plans; and
- (b) ask the committee's task and finish group to consider the recovery plan in more detail.

17. Update from the task and finish group

The committee received feedback from its task and finish group on the presentation by the consultant, Aether, on the Vale's carbon emissions baseline. The committee had been unable to receive the presentation at its last meeting and had referred this to the task and finish group for consideration. The task and finish group had welcomed the report and one of its members gave an update to the committee.

The committee then discussed the draft report and presentation from Aether. The committee supported the conclusions and the scope of Aether's draft report but considered that the council should aspire to reduce *all* emissions, whether they were measurable or not. This should be raised with Aether before the final report was produced. The committee also queried which year Aether had used for its baseline figures. However, the committee accepted the baseline figure provided by Aether in its draft report.

RESOLVED: to recommend Cabinet to accept the consultant's report from Aether on the Vale of White Horse district carbon emissions baseline but the council should aim to reduce all emissions, whether they are measurable or not.

The meeting closed at 8.05pm

Climate Emergency Advisory Committee



Report of Acting Deputy Chief Executive Transformation and Operations

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To: Climate Emergency Advisory Committee

DATE: 07 September 2020

REPORT NO:

Power Purchase Agreements

Recommendation

That the Committee recommends to Cabinet that officers join discussions with other Oxfordshire councils and commercial partners to identify the feasibility of entering into a Power Purchase Agreement.

Purpose of Report

1. Following the council's participation in a workshop on 22 July 2020, this report introduces the idea of the Vale of White Horse District Council working collaboratively with other Oxfordshire councils on a Power Purchase Agreement (PPA). The report explains the concept of a PPA, describes some of the issues for consideration and sets out the possible next steps.

Strategic Objectives

2. Tackling the Climate Emergency is a priority theme in the proposed Corporate Plan 2020-2024. The opportunity to consider a PPA is important as part of a portfolio of initiatives to meet the council's target to reduce the council's own carbon emissions by 75 per cent by 2025 and become a carbon neutral council by 2030.

Why is the council interested in a PPA?

3. The council will achieve its climate goals by adopting a range of initiatives. Energy efficiency in council buildings and the installation of on-site renewables are also important but are unlikely on their own to allow us to meet our carbon targets.

4. The council intends to purchase REGO backed renewable electricity. The Renewable Energy Guarantees of Origin (REGO) scheme provides transparency to consumers about the proportion of electricity that suppliers source from renewable generation. However, we cannot use this electricity to offset our own carbon emissions. The National Grid already takes this renewable energy into account when calculating the grid emissions factor, so to use this renewable generation for our own offsetting would be double counting.
5. The Greenhouse Gas Reporting Protocol allows us to record that we are using renewable electricity in our properties **if** the council's contribution is essential to the development of a generation asset. This is known as 'Additionality'. A PPA connects a consumer directly with a generator and this direct relationship provides the guarantee required. If the council's intervention is necessary for the project to occur then additionality is verified, and we can record our electricity use as having zero carbon emissions.
6. If the council enters into a PPA agreement with a renewable energy generator in Oxfordshire this would have the additional benefit of stimulating local renewable generation capacity.

How does a PPA work?

7. A PPA is a contract for a defined volume of electricity, for a defined price and a defined period.
8. Unlike standard energy procurement where the council would have a relationship with an energy supplier, a PPA would also involve the councils having a direct arrangement with an energy generator. The council pays the generator for the energy provided. In turn, the generator provides the council with a Renewable Energy credit, certifying that the council is using electricity with zero carbon emissions.
9. The energy supplier is still involved and provides a 'sleeving' service in which the electricity generated by the generator is matched on a half hourly basis to the customer's (council's) electricity demand. Electricity demand that does not match the renewable supply is purchased as normal from the energy supplier. The energy supplier will charge a fee for these administration and 'balancing' roles.
10. A PPA is therefore a three-way legal agreement as shown overleaf:

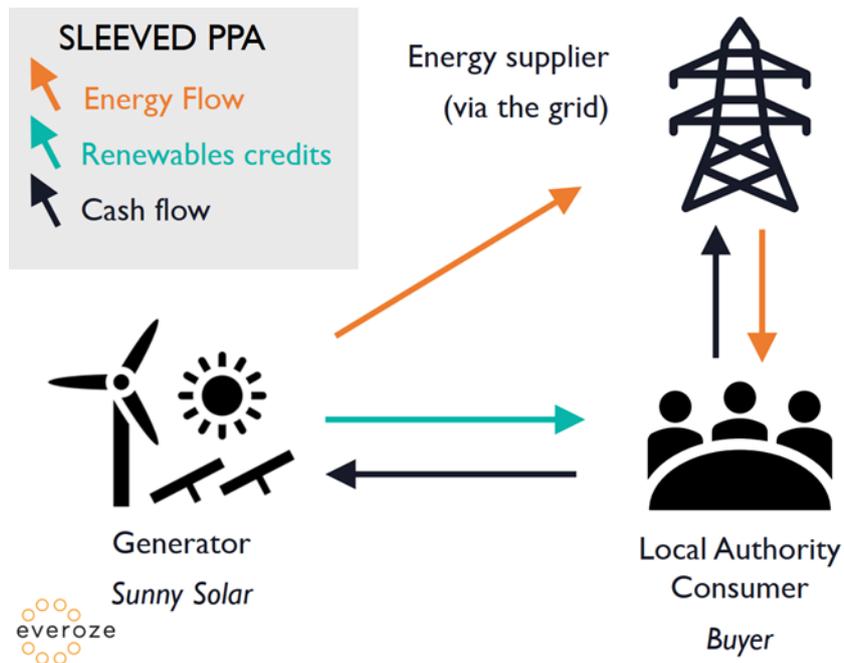


Figure 1. Interactions between parties in a PPA

Issues for consideration

11. A PPA would be a new way of operating for a council and there are some significant issues to consider:

FINANCIAL ISSUES

12. The council's current energy procurement contract is for a period of four years. Renewable energy investors require revenue certainty and, as such, a PPA is normally a long-term contract of around 15 years. Further work will be necessary to identify whether the project benefits justify such a long-term commitment.

13. No indicative costs are yet available for electricity purchased through a PPA and this would be part of further discussions. Electricity costs will be set by the generator at a level that will make an asset such as a solar farm viable.

PROCUREMENT ISSUES

14. Our current energy procurement contract with LASER allows for the incorporation of 'sleeving' and PPAs, but this is coming to an end and the energy supply is the subject of a new procurement. A future LASER contract could also accommodate sleeving and PPAs so our energy procurement will not be impacted by these proposals.

15. The PPA format is tried and tested in the private sector. Local government procurement rules are more complex, however PPAs have already been implemented by the following councils and there is scope for Oxfordshire councils to learn from existing documentation:

- West Sussex County Council
- Swindon Borough Council

- Warrington Borough Council
- City of London

16. The council would prefer where possible to support a renewable energy generator based in the local area. The Low Carbon Hub is already involved in plans to own and operate ground mount solar sites in Oxfordshire and is interested in working with local councils to deliver this.

PREDICTABILITY OF DEMAND

17. Entering into a PPA would require the council to estimate its long-term electricity demand. Modelling our long-term energy needs will be made more complex by the fact that we also intend to deliver other Climate Emergency projects that will reduce energy demand. We will also need to consider how our demand for electricity will increase as we move away from gas and adopt electric vehicles.

18. Further, the council's strategic property review may affect the number of assets we have remaining in the longer term to form part of a PPA.

SHAPE OF ENERGY DEMAND

19. One issue for PPA is that the pattern of generation and demand do not match over a 24-hour period. Offshore wind energy tends to be a better match than solar but would not be local. Any PPAs with Oxfordshire-based generators are likely to use solar energy. We may therefore require a portfolio of PPA agreements to meet our targets, which would add complexity.

Next steps

20. The opportunity exists for the council to enter into discussions with other Oxfordshire councils regarding a potential PPA consortium. The Chief Finance Officer from Oxford City Council will be raising the matter in the Oxfordshire Treasurers Group.

21. Further online meetings are planned with other Oxfordshire councils to discuss detailed procurement issues. The councils' Legal and Procurement officers will be invited to these meetings. Further details of how the four councils listed above have successfully implemented PPAs will be explored in these meetings.

22. If the council is interested in engaging with the Low Carbon Hub to enter into a contract with an Oxfordshire solar farm, the Low Carbon Hub's initial proposal has an aim to agree Heads of Terms with councils in February 2021. This proposed schedule has however not yet considered the timescales that could realistically be achievable by the councils.

Investment in solar energy

23. Investment in solar energy is also part of the Climate Emergency work programme and is being considered in a separate feasibility study. At present the council's electricity demand from offices, the Beacon, public conveniences and other properties is not sufficient to consider investment in a solar farm linked to a PPA. The council's leisure centres are currently not included within our energy procurement portfolio.

24. In 2019/20 approximately 70 per cent of the council's electricity demand was from leisure centres. Utilities at the leisure centres are currently procured by the leisure contractor. The council's leisure contract is due to end in 2024 with the option of a five-year extension. A new Active Communities Strategy is being commissioned which will consider options for the council in terms of leisure provision going forward. Our requirements for energy purchase arrangements can be considered as part of the development of this new strategy. When the electricity demand of our leisure centres is included, our demand may then be enough for the councils to consider securing electricity through a PPA with a local solar farm that could also be an investment opportunity.

Financial Implications

25. The success of this project depends on whether the electricity price that is needed by a generator to make renewable generation viable will be attractive to the council. Councils have good creditworthiness and are able to make long term plans and are therefore in a strong position to negotiate with other parties in the renewable energy market. Once further information is available, we will be in a position to review whether it is appropriate to sign up to a long-term contract.

Legal Implications

26. This potential project requires further investigation to identify whether a compliant procurement route is available which would allow the council to enter into a contract to support a local generation asset and/or enter into a PPA.

27. Due to the length of a PPA contract it is assumed that any procurement would need to be OJEU compliant.

Risks

28. A PPA would be a new procurement approach for the council. If the council decides to proceed further with investigating the options for PPAs after initial discussions then risks will be fully assessed within the project documentation.

Climate Emergency Implications

29. A Power Purchase Agreement is one way that the council can achieve zero carbon emissions from its own electricity use and therefore important for consideration within the Climate Emergency work programme.

Conclusion

30. A Power Purchase Agreement is a new energy procurement approach for councils that enables them to claim zero carbon emissions for the contracted electricity and thus contribute towards the council's Climate Emergency targets.