

**DERBYSHIRE COUNTY COUNCIL**  
**IMPROVEMENT AND SCRUTINY – RESOURCES COMMITTEE**

**16 JANUARY 2014**

**Report of the Director of Legal Services**

**Review of the Potential for Sustainable Energy**

**1. Purpose of the Report**

To inform the Committee of the progress made by the Sustainable Energy Review Working Group.

**2. Information and Analysis**

The Committee, at its meeting on 14 November 2013, agreed to undertake a review of the potential for sustainable energy projects for the County Council.

A review working group was appointed to conduct the review (Cllrs Moesby, Dunn, Bisknell, Kemp and Lomax) and the first meeting of the working group was held on 2 December. Cllr Paul Dunn was appointed Chair of the working group.

The working group Members met with Kathryn Warrington, (Carbon and Energy Manager), Wayne Bexton, (Principal Policy Officer) and Cllr John Owen who was the Deputy Cabinet Member with responsibility for overseeing the Council's endeavours in promoting sustainable energy development.

Originally, the review was to concentrate on the potential for installing solar power systems on DCC properties with a view to reducing energy costs, attracting income and helping to achieve the Council's carbon reduction targets. However, on initial consideration, the I & S - Resources Committee established that there were potential opportunities for the Council to be involved in projects for other sustainable energy sources (eg wind and hydro) and that the review remit would be extended to cover these possibilities too.

Kathryn Warrington and Wayne Bexton gave details of the current situation in respect of the work the County Council was already doing on sustainable energy. The following key points were noted;

- The Council has £500,000 already to use for investing in solar PV projects on DCC properties including schools. To date, through this investment

programme, solar PV had been installed at Doveholes Business Unit, Shipley Country Park and Chesterfield Library.

- There had been a drop in the rate of Feed-In Tariffs (FITs) in 2012 which lengthened the pay-back period of sustainable energy projects, particularly solar PV.
- The Council is likely, through the Association for Public Service Excellence (APSE) Local Authority Energy Collaboration project, to consider some “out-of-county” investment projects which, as well as attracting returns on investments, would also contribute towards the Council’s carbon reduction targets.
- Work on such projects was to be progressed where possible, with joint business cases being developed with other local authorities around the UK.
- Currently, projects were being considered/proposed at Markham Vale (Biomass project) and Tapton Lock (hydro power project)
- The Council has also, through its economic development budget, contributed £10,000 to a scheme led by Derby University to encourage small businesses across the county to collaborate to develop sustainable energy and reduce their costs.
- Roof renting schemes were currently being heavily promoted by companies for solar power systems. There are some pitfalls for householders entering into these arrangements including that the roof area linked to the solar scheme became subject to ownership conditions which could cause problems if a property was to be sold by its current owners. Public awareness needed to be raised on this issue.
- It was important to ensure that, whatever projects and initiatives the Council developed, they were thoroughly risk assessed, with realistic outcomes measured against investment costs. The County Council was working with the Association for Public Service Excellence (APSE) to promote a rigorous risk assessment before committing to any scheme.

### **Further work**

Members of the working group have been invited to make site visits to both the Markham Vale Biomass project and the proposed Tapton Lock hydropower project. These will take place on 24 January to enable Members to see first-hand the proposed schemes and discuss the proposals with the project managers.

Other information will be gathered on “out of county” sustainable energy projects in which the Council may invest, as well as investigating the success – or otherwise – of sustainable energy projects around the country to enable the identification of “best practice” examples.

Further progress reports will be submitted to this committee in due course with a final report for this review anticipated for the Committee meeting in May.

### **3. Considerations**

The considerations for Finance are set out in the body of this report.

The relevance of the following factors has also been considered in preparing this report; Human Relations, Legal and Human Rights, Prevention of Crime and Disorder, Equality and Diversity, Environmental, Health, Property and Transport.

### **4. RECOMMENDATIONS**

The Improvement and Scrutiny – Resources Committee is asked to note;

- (1) the investigations already undertaken by the Sustainable Energy Review Working Group,
- (2) the further investigations which the working group proposes to undertake in order to finalise the review.

**John McElvaney**

**Director of Legal Services**