

REPORT TO: Climate and Environment
Advisory Committee

12 January 2021

LEAD OFFICER: Trevor Nicoll

Green Energy Investment Programme Update

Executive Summary

1. At the request of Climate and Environment Advisory Committee, an update report is provided which recaps on the approach being taking to finding, prioritising and progressing green energy investment opportunities, balancing “quicker wins” with more complex investments involving partners. There is a summary of the projects being undertaken on our own operational estate, principally the Greening South Cambs Hall project as well as the approach being taken on our Commercial Property Portfolio. The report also indicates where potential opportunity areas are for green energy investment over the coming year.

Recommendations

2. The Climate and Environment Advisory Committee is invited to note and comment on the update report for the Green Energy Investment Programme.

Details

3. Over the last year, the Council has developed a pipeline of green energy investment opportunities which include projects taking place on our own operational estate as well as on the newly acquired commercial property portfolio, and working with energy project developers on land or assets not currently within our ownership.
4. Following the Zero Carbon Strategy, our approach has been to balance quicker wins by “putting our own house in order” with longer-term larger renewable energy schemes working in partnerships which, whilst they will have a greater positive impact on carbon reduction, have additional risks and barriers with a longer timeframe to develop and realise those benefits.

5. The Council's Investment Strategy aims to provide a robust and viable framework for investments and the pursuance of redevelopment and regeneration opportunities that contribute to Business Plan objectives and can deliver positive financial returns for the council. This includes investments in initiatives to address climate and environmental issues, which is where some of these green energy investments are captured. This approach to green energy investments will also have to adapt to changing guidance on Public Works Loan Board borrowing, a key source of borrowing for the public sector. More information about this is proposed for the new year as this has wider context than just for green energy investments.

Green Energy Investments on our Operational Estate

6. At the November 2020 Climate and Environment Advisory Committee, an update was brought on the Greening South Cambridgeshire Hall project. This project started to mobilise in December 2020 and involves a comprehensive retrofit of the building including a new heat pump system, solar car port, electric vehicle charge points, internal LED lighting and new Building Management System. The carbon footprint of the building will reduce by at least 75% by 2030 and by at least 90% by 2050 compared to baseline 2019 levels (this incorporates projected decarbonisation of the electricity grid).
7. This project follows a smaller 30kW solar pv installation on Waterbeach Depot building which completed in 2018 and a separate project replacing most external and internal lighting at the Depot with LEDs.
8. The Council is also part way through delivery of a project to move footway lighting across to LEDs which supports Parish Councils to reduce their carbon footprint and energy bills associated with this lighting and reduces some maintenance costs for the Council.
9. Looking ahead, analysis of the Council's carbon footprint through our Green House Gas reporting will highlight further areas where we can make green energy investments. These are likely to be associated with how we power our fleet used for waste and recycling collections. As the Doubling Nature Strategy emerges, opportunities for measures to meet these objectives will also be explored.

Green Energy Investments on our Commercial Property Portfolio

10. Through the Council's Investment Strategy, several commercial buildings have been acquired. There is programme in place to complete 'outline business cases' for all Council-owned commercial property to highlight opportunities to improve the energy efficiency of those buildings and opportunities to generate heat and power on site, subject to agreement with existing tenants. Opportunities include maximising solar pv on the roof and ensuring there are on-site charge points for electric vehicles and/or bikes, alongside efficiency measures to the fabric of the building and heating, cooling and ventilation systems. This shows the Council's commitment to supporting the reduction of carbon emissions from local businesses within the District.

11. One of the properties, 270 Cambridge Science Park, requires extensive renovation to make it suitable for businesses requiring office space. The Council is exploring opportunities to add additional energy efficiency and energy generation measures to reduce the carbon footprint of the building and keep energy costs low for the building occupiers.
12. In addition, any potential land or property acquisitions are also assessed for green energy investment potential (retrofit or within development designs) and this assessment is part of the due diligence and business case development process. Also, as the Doubling Nature Strategy emerges, measures to support these objectives will also be explored.

Green Energy Investment other partnership projects

13. Directly, and via our Agent, several developers have come forward with renewable energy projects requiring investment. In these instances, the Council has followed the Investment Strategy for stream 2 investments with an initial matrix scoring process and recommendation from officers to an Investment Selection Team and then continuing to a stage of comprehensive due diligence of the parties involved and the business case for the energy project. The types of project that have been explored include solar-only and hybrid schemes involving battery storage.
14. To date, no recommendations for investment have been made to Members as schemes have not met the thresholds within the Investment Strategy or successfully completed the due diligence phase.
15. There is likely to be a refocus on investment opportunities within the 'travel to work' area of South Cambridgeshire and projects which can demonstrate wider benefits other than financial return/yield, for example incorporating measures to enhance biodiversity and address 'Doubling Nature' objectives.
16. The Council is also exploring how it further supports local businesses to reduce their carbon footprint through advisory services but also through potential investment in renewable energy installations.

Implications

17. There are no significant implications.

Alignment with Council Priority Areas

Growing local businesses and economies

18. Having a planned programme of investment in green energy projects supports the development of the retrofit and green energy sectors with certainty over demand for services and skills.

Being green to our core

19. The green energy investment approach ensures the Council “put their own house in order” demonstrating leadership and tackling their own carbon footprint as part of a wider programme to tackle carbon emissions within the district.

Background Papers

South Cambridgeshire District Council Zero Carbon Strategy – May 2020

Source: <https://www.scambs.gov.uk/council-adopts-zero-carbon-strategy-for-south-cambridgeshire/>

South Cambridgeshire District Council Investment Strategy

Source: <https://www.scambs.gov.uk/your-council-and-democracy/performance-and-plans/our-investment-strategy/>

Appendices

None

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