

MINUTES OF A MEETING OF THE JOINT MEETING OF THE SUSTAINABLE GROWTH & ENVIRONMENT CAPITAL SCRUTINY COMMITTEE AND THE SCRUTINY COMMISSION FOR RURAL ISSUES HELD AT THE COUNCIL CHAMBER - TOWN HALL ON 2 NOVEMBER 2012

Members Present: Councillors G Casey, J A Fox, D Harrington, Y Maqbool, S Martin, D McKean, E Murphy, M Nadeem, D Over, D Sanders, N Sandford, Thurlbourn and M Todd

Officers Present: John Harrison, Executive Director of Strategic Resources
Michelle Drewery, Finance Manager
Lee Collins, Area Manager Development Management
Jo Gresty, Farms Manager
Helen Edwards, Solicitor to the Council
Louise Tyers, Compliance Manager

1. Appointment of Chairman

Councillors Over and Todd were both nominated as Chairman for this meeting. Councillor Over refused the nomination as he felt that as a rural councillor he would be able to serve better as an ordinary member of the Committee. As there were no other nominations Councillor Todd was appointed Chairman for this meeting.

2. Apologies for Absence

An apology for absence was received from Councillor Lamb.

3. Declaration of Interest

No declarations of interest were made.

4. Development of Ground Mounted Solar Photovoltaic Panels (Solar Farms) and Wind Turbines

At its meeting on 10 July 2012 Cabinet approved the outline strategy for the development of renewable energy parks at three council owned agricultural sites to include Ground Mounted Solar PV (farms), wind turbines or other types of renewable energy schemes. Cabinet noted that the outline strategy was subject to further due diligence and studies around planning, environmental, technical and financial issues. As agreed, this matter was now being taken back to Cabinet for further consideration, following completion of those studies, and prior to any planning application being submitted.

At its meeting on 10 October 2012, Council asked Cabinet to review its decision made on 10 July 2012, in consultation with the Sustainable Growth and Environment Capital Scrutiny Committee. That committee agreed to work with the Scrutiny Commission for Rural Communities, because of the importance of this issue to rural communities.

Cabinet was now being asked to approve moving to public consultation and final preparation stage culminating in the submission of planning applications for solar farms for all three sites. The development of wind turbines and possibly other technologies would be reported back to Cabinet at a later date, probably in or around October 2013 before progressing to the planning application stage in 2013. Therefore, the report being considered did not detail

any potential proposals for wind turbines, and made recommendations solely in relation to solar farms.

The Executive Director Strategic Resources made the following points:

- There had been a lot of recent press around the Government's position on on-shore wind farms. Ed Davey, Secretary of State for Energy and Climate Change had reiterated the Coalition's position that they still believed that on-shore wind would play a part and their policy had not changed.
- Cabinet would be considering a separate report on collective energy switching and that report was not part of this decision.
- On school roof developments would not be able to meet the energy needs of the council.
- The council as part of its Environment Capital agenda was seeking to produce 'green energy' through its Energy Services Company – Blue Sky Peterborough Limited and was hoping to become self-sufficient.
- The proposals in the Cabinet report would impact on agriculture in the area.
- It was accepted that initial consultation and engagement had not been as good as it could have been and the council was looking to improve this going forward.
- This was not the end of the process and further reports would be presented going forward.

At the invitation of the Chairman, John Bartlett of Thorney Parish Council addressed the joint meeting and made the following points:

- The Parish Council were annoyed that they had not been involved in this process from the beginning.
- He had read the report and it had made no reference to security fencing at the sites especially as the panels were quite valuable.
- When would the planning application be submitted?

In response, the Executive Director apologised to the Parish Council on the level of engagement to date. The planning application would be submitted in early December 2012.

At the invitation of the Chairman, Dawn Clipston of Newborough Land Protection Group addressed the joint meeting and made the following points:

- The proposals were morally and ethically wrong.
- There would be a loss of good agricultural land.
- The land had been provided to support returning service personnel from World War One.
- There had been a total lack of consultation.
- The proposals would have a devastating effect on wildlife.
- The land had always been farmed.

The Joint Meeting made the following comments and observations:

- How would the proposed developments work with Blue Sky Peterborough as members had been told that it was not an energy company but its website states that it was? *The Solicitor to the Council clarified that there was a difference between Blue Sky and the larger energy generating companies.*
- How would the proposed structure work? *If solar panels were placed on a roof then the energy produced could only be used at that site. If panels were placed off-site, then the council had to have the ability to trade the energy. The energy would be generated and we would negotiate with a supplier on how to use it and also take energy out as supply to the council. It was not about generating energy and just*

putting it straight into the grid but the energy would go into the grid but come out for local supply. It was more valuable to use ourselves than just to add it to the grid as we were able to keep control of our exposure and get a better deal for both the council and local residents.

- Councillor Sanders stated that he believed that officers had gone against Standing Orders as they had not consulted with local ward councillors. Councillors North and Seaton had also visited other wards without notifying the local ward councillors. *The Solicitor to the Council advised that consultation had taken place with ward councillors and the Executive Director had invited all ward councillors to a meeting, however Councillor Sanders had been unable to attend.*
- Councillor Sanders reiterated that he had not been consulted. A public meeting had been held at Thorney Golf Club but he had not been consulted as a ward councillor prior to that meeting. The first proper briefing he had received had been 21 days ago and this attitude showed arrogance and bulldozing the issue through by keeping quiet until the last minute. He confirmed that he had been very well briefed by Michelle Drewery and Lee Collins but consultation had been poor and premeditated. It was important to learn from this for future developments to make sure this was not repeated in future. *The Executive Director was pleased that Councillor Sanders was happy with the briefing he had received. He was not aware of Cabinet Members visiting the sites. The meeting at Thorney Golf Club was not a council meeting and the council were only invited to the meeting. He refuted the allegation of premeditation.*
- Did the council have a rural strategy in place and what was its view of the rural areas as 20% of the population lived in rural areas? The rural communities were currently feeling that they were being attacked, it was confusing to people and had caused a huge amount of anger. Why were the local communities not brought in and consulted earlier? *The Executive Director was not aware that this proposal was directly against any rural policy. It was accepted that this was a difficult decision for the Cabinet to make. There was no intention to exclude local communities and it was accepted that consultation could have been better.*
- Councillor Sandford stated that the proposals would create large amounts of renewables. Councillor Cereste had previously stated that he wanted Peterborough to be self-sufficient so what proportion of Peterborough's energy would the proposals cover? *The proportion of energy was not known but the proposals did not take into account other types of interventions such as schools, however it would be a significant amount.*
- Why were the proposals for predominately solar power as this brought problems with taking farming land out of production? *Due to our location we are unable to undertake off-shore generation however it was acknowledged that wind had greater opportunities. However there were concerns around grid connections and the costs might be prohibitive.*
- The former Freeman's site had been discussed as an option for solar panels previously. *The proposed Freeman's development had got to the stage of being approved by the Cabinet but four days before it was due to commence the Government had changed the rules and the application was refused.*
- How would the views of local people be able to influence the decision making process? If the outcome of consultation was no will the council listen? *That would be a matter for the decision makers*
- Had the Council any previous plans to dispose of the farm estate? *The Executive Director clarified that the estate was not being disposed of.*
- A member stated that they were alarmed to be told that the value of the land was not good, officers needed to be cautious about what they were saying about land values. *The values contained in the report were around what the value of the land would be if it was sold. In 20 years time the council would have to make a decision about whether to turn the land back to agricultural use as part of an exit strategy. The majority of the land being proposed was Grade Two with some Grade One and*

produced a good yield of crops. The land was seen as a secure investment with vacant possession land having double the value of tenanted land.

- *It needed to be remembered about the heritage and culture of the land and that generations of families had farmed it. We needed to consider if the needs of 100 years ago were the same as now.*
- *How much had been spent on this project already? £300,000 had been spent so far.*
- *What was the current condition of the land and why had this land been chosen? The professional opinion was that the majority of the land was Grade Two. The livelihood issue was a major consideration and we were trying to deal with this individually with each of the tenants.*
- *Had the security costs been included within the financial model? The costs around security needed to be refined but we were currently dealing with very broad estimates however there was an allowance for security.*
- *The proposed community fund from another company in the area was £4,000 per mega watt of power, had the council included this in the financial model? £336,000 per annum, equating to £6.7m over 20 years was a significant figure to have missing from the estimates. There was no specific allowance included at this stage. The level was open for further discussion and the next stage would include specific amounts. Officers had views on the level but a separate discussion was needed. The aspiration of £400,000 was understood and the figures were robust enough to cope with that level.*
- *There had been very little publicity about Blue Sky Peterborough. The Cabinet took the decision to establish Blue Sky Peterborough in June 2011 and a presentation on the ESCO was considered by the Environment Capital Scrutiny Committee earlier this year.*
- *Officers stated that the farms were not as productive as they could be but how could that be evaluated if you did not know what crops were grown. What was stated was the professional opinion; we could go back and revisit that position.*
- *Councillor Sanders stated that in his opinion the report was bordering on false material and he believed it had been pulled together in a rush as the council was running out of money. He was not convinced sufficient groundwork had been done on the value of the land. More detailed figures were needed as he was not convinced they had been verified.*
- *Councillor Sanders also stated that the land had been given to soldiers returning from fighting in World War One and some people believed that there was a document in existence which stated that the land could only be used for farming. He was concerned that the council had not investigated this properly. The Solicitor to the Council confirmed that her staff had looked at the title deeds for the land and there was no mention of such a clause, they had also visited the Central Library to look at the minutes from the time and again, no such clause was mentioned. If anyone had any evidence of such a clause then they should bring it forward.*
- *Councillor Sanders asked for it to be minuted that he would be concerned if someone found a document after a large amount of taxpayers' money had been spent. More research was needed and he was concerned that any document may be found further down the line.*
- *The Executive Director registered his concern that members believed the report contained falsehoods and members should raise tonight if they believed there were errors. The information in the report was the best available as of now. The estimates in the report were best estimates. There was not an open cheque for the consultants and a clear set of work and fees has been agreed.*
- *It needed to be put in context that the country was facing an energy crisis as we were only producing a small percentage of the amount of energy needed. This proposal was not discriminatory against the rural communities. The land may have been allocated for farming in the 1920s but it did not make sense to keep it for that use in perpetuity.*

- Was the interest in the finance model a fixed amount? *We would borrow at fixed rates which were currently around 4% and set by the Public Works Loan Board. There had been no indication that we could not borrow at 4%. If we borrowed now then the rate would be set at 4%.*
- If the solar panels were installed at higher level or were movable would animals be able to graze underneath? *We would be looking at all options for farming. Moving panels were more appropriate in warmer climates as they needed exposure to the sun and the ongoing costs were also greater than with static panels. The business case for them was marginal.*
- Had any consideration been given to the loss of hedgerow and trees in any environmental impact assessment? *All three applications would be subject to full environmental impact assessments and biodiversity. It was believed that there was an opportunity for a better biodiversity gain.*
- Some of the roads which would be used to access the sites would need vast improvement to handle the heavy vehicles which would be used. *Traffic management plans would be included as part of the planning applications.*
- The land west of America Farm needed to be protected especially Flag Fen. *There was already a clear gap between America Farm and Flag Fen.*
- The risk register does not include the risk of a change in government policy. *This was included as point two of the risk register. The Government had published a reduction in subsidies. There was a potential risk of agreeing a proposal and contract and then there being a change in policy.*
- What consultation had been done with the tenants and what options were available to them, for example relocation to another farm? *Officers had tried to establish a few things, for example was there an opportunity to develop on land coming to an end, talking to the tenants about possible reconfiguration of tenancies and looking at what the options were for the future. Jo Gresty had met with all the affected tenants and packages were being discussed.*
- What were the timescales officers were working to? *There had been no decision yet. The planning applications needed to be gone through first and then we needed to appoint a contractor. The timescale was flexible.*
- There was a perception that if this goes through then the other farmers would be worrying which farm was next. Why was the land at Castor not considered? *Castor was looked at but would not have been feasible.*
- Why were officers not looking at going to the planning inspectorate to determine the planning applications so they were tested better? *Planning over a certain size could not be determined locally and was taken out of our hands. The risk of going directly to the planning inspectorate was we could not guarantee government support if we delayed.*
- Why was farming land being used? Was the driver financial rather than enabling energy sufficiency? *It was about both energy and income. Planning policies were also coming in to encourage people around energy sufficiency.*
- One of the risks on the register was about challenge by third parties, which third parties did officers believe this could come from? *It was a generic use of the term third party and referred to someone outside of the council who might submit objections, for example during the planning applications process. It was about starting to mitigate the impact around possible judicial review and managing that risk. It would be inappropriate to suggest a specific third party.*

Following debate the following motions were moved:

It was proposed and seconded that Cabinet be recommended that farmland is not taken away for solar panels and wind farms in any of the three wards. On being put to the vote there were five votes for and seven against so the motion was lost.

It was proposed and seconded that Cabinet be recommended to approve the recommendations detailed in the Cabinet report along with an additional recommendation from this meeting to ensure that the needs and demands of the rural communities are fully addressed. On being put to the vote there were six votes for and six against and the Chairman using her casting vote voted for, therefore there were seven votes for and five against so the motion was carried.

It was proposed and seconded that Cabinet be recommended that it further explores paragraph 8.4.7 of the report with officers and understands the process for which the sum for community funds can be developed. On being put to the vote there were seven votes for and four against so the motion was carried.

It was proposed and seconded that the financial model at paragraph 8.2 of the report is updated to reflect what is known but estimated and what is contingency. On being put to the vote there were five votes for and five against and the Chairman using her casting vote voted for, therefore there were six votes for and five against so the motion was carried.

It was proposed and seconded that Cabinet be recommended to investigate the feasibility of dual use of the land at each site taking particular account of the sensitivities of the area around America Farm for Oxney Grange and Flag Fen. On being put to the vote there were seven votes for and four not voting so the recommendation was carried.

RECOMMENDATIONS

The Joint Meeting of the Sustainable Growth & Environment Capital Scrutiny Committee and Scrutiny Commission for Rural Communities advises Cabinet that it broadly supports the recommendations detailed in the Cabinet report:

1. Notes the updated strategy for the development of renewable energy parks at each of the three council owned agricultural sites (America Farm, Morris Fen and Newborough farms) since the report to Cabinet dated 10 July 2012, in respect of ground mounted solar photovoltaic panels and wind turbines;
2. Approves the proposal to submit planning applications in respect of development of ground mounted solar photovoltaic panels;
3. Notes that subject to planning permission being received for ground mounted solar photovoltaic panels a contract for their installation is likely to be awarded to Mears Ltd under a framework agreement approved under a decision by the Cabinet Member for Resources (reference Solar Photo-voltaic (PV) Panels Framework Agreement - JAN12/CMDN/002)
4. Notes that subject to the outcome of necessary studies and continued negotiations a further report will be brought back to Cabinet for consideration prior to submitting planning applications for wind turbines;

The Joint Meeting further recommends:

5. That the Cabinet ensure that the needs and demands of the rural communities are fully addressed.
6. That the Cabinet further explore paragraph 8.4.7 of the Cabinet report with officers and understands the process for determining the appropriate amount of community funds, and also at this stage seeks information from officers of the likely range of community funds.
7. That table 8.2 of the Cabinet report is updated to reflect what is actually known at this

time and what is contingency.

8. That Cabinet investigate the feasibility of dual use of the land at each site taking particular account of the sensitivities of the area around America Farm for Oxney Grange and Flag Fen.

CHAIRMAN
5.30 - 8.45 pm