

**MINUTES OF A MEETING OF THE
SCRUTINY COMMISSION FOR RURAL COMMUNITIES
HELD IN THE
BOURGES & VIERSEN ROOMS, TOWN HALL, PETERBOROUGH
ON 16 SEPTEMBER 2013**

Present: Councillors D Over (Chairman), D Lamb, D McKean, D Sanders, D Harrington
N Sandford and E Murphy

Officers in Attendance:	John Harrison	Executive Director – Strategic Resources
	Neal Kalita	Head of Energy Advisory – Davis Langdon
	Michelle Drewery	Renewable Energy Finance Manager
	Peter Heath-Brown	Planning Policy Manager
	Emma Naylor	Strategic Planning Officer
	Helen Turner	Lawyer
	Dania Castagliuolo	Governance Officer

1. Apologies for Absence

No apologies were received.

2. Declarations of Interest and Whipping Declarations

There were no declarations of interest.

3. Minutes of the Previous Meetings Held on 17 June 2013 and 15 July 2013

The minutes of the meeting held on 17 June and 15 July 2013 were approved as a true and accurate record.

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

The Executive Director of Strategic Resources introduced the report which was presented to the Commission to provide a review of the current business model compared to the original business case, financial model and implications of the delay in the planning applications.

A report was presented to Cabinet on 5 November 2012 which was considered along with the recommendations made at a joint meeting of the Sustainable Growth and Environment Capital and the Scrutiny Commission for Rural Communities held on 5 November 2012. Cabinet confirmed that:

- The potential for integrating some form of farming with renewable energy generation was already under consideration as part of the proposals.
- The sensitivities around the two sites near America Farm (Oxney Grange and Flag Fen) would be taken into detailed consideration as part of the planning process.

Key Issues highlighted within the report were as follows:

- Dual Use – The Council was currently exploring the viability of allowing certain types of farming in and around the solar panels
- once they were installed

- Planning – The Council submitted three planning applications for solar farms in December 2012. Since the submission, the Council had worked towards resolving a number of key issues raised by the Local Planning Authority; Morris Fen went to planning committee on 17 June 2013 but was deferred following communities and local Government having formally written to the council and a request by one of the statutory consultees, English Heritage, for further detailed survey work to be undertaken before the application could be determined.
- Tenant Farmers – A review of the tenancies of farmers was undertaken to establish how to progress the development proposals with the least impact to them. All tenant farmers had been notified of the potential disruption from the required archaeology field work and informed they could farm for at least a further year. All farmers who wished to continue farming had been offered packages which allowed for farming on other land within the Council's ownership or compensation where applicable.
- Biodiversity – The key habitat loss was the arable farmland itself which was used by birds for foraging and nesting. The current ecological mitigation strategy was to establish neutral grassland beneath and between the panels. This would provide and new and enhanced habitat for animals and insects.

The Council would continue to work with individual residents, the Newborough Landscape Protection Group, the Local MP and other stakeholders to assess alternative solutions brought to its attention.

The Commission was asked to consider the report and feedback any comments.

Observations and questions were raised and discussed including:

- Members requested further information on the alternative schemes available. *The Executive Director of Strategic Resources advised Members that the alternatives were aimed more towards a different delivery model and the potential financial and carbon benefits it may deliver to the Council if alternative locations were considered.*
- Members commented that there was some dispute over facts and figures within the report. *Members were informed that issues with facts and figures had not been highlighted to him and the Executive Director would be happy to discuss any issues with Members.*
- Members queried why the Council were going ahead with the Solar Photovoltaic Panels if the risks were great and the financial returns were not good. *Members were informed that the financial returns were within the broad range that was initially looked at which was still a sufficient return.*
- Members requested further information regarding dual use and the financial aspect of it. *Members were informed that dual use was still being investigated in terms of financial projections.*
- Members queried whether there was a limit which could be fed in to the grid and if this region was anywhere near that limit. *Members were advised that there had been direct engagement with the grid company and based on latest discussions the Council had allowed for large sums of money for grid upgrades.*
- Members queried whether the income for the farmer's estate would increase. *Members were advised that in terms of rental income the figures had allowed for an inflationary increase of what was believed to be 2.5% in the first few years rising to 3.5% thereafter, clarification would need to be sought on this.*
- Members queried what the lifespan of the Solar Panels would be and commented that they thought it would be more cost efficient to leave the land as farmland which would generate a stable income each year. *Members were informed that the lifespan of the solar panels had always been twenty five years and the degradation of power would be reduced from 20% to 80% by the end of the 25 year term.*
- Members were disappointed in the information presented in the report. The figures in the last report presented to the Commission were high level and indicative and not

suitable for public scrutiny. The report presented at this meeting appeared to be the same. *Members were advised that officers were only asked to give an update on figures and not a detailed cost report and an apology was given for any misunderstanding. The position was still that detailed costs would not be provided other than at the level which Cabinet had agreed could be publicly disclosed due to commercial confidentiality of the proposals.*

- *Members requested the sunk cost of the project to date and how many more cost would be incurred to get full planning permission for the three sites. Members were informed that the spend to date was 1.8 Million pounds.*
- *Members queried what the projected sunk cost would be including costs of attending a public inquiry and the impact of the reduced power purchase agreement. Members were advised that officers did not have this information to hand and this would be provided at a later date. With regards to the cost of the public enquiry those costs would mainly be the responsibility of the planning department.*
- *Members were concerned about the cumulative impact of the wind turbines, especially around Thorney and whether there was a policy within the Council that could restrict the number of wind turbines an area could have. Members were advised that the report only dealt with solar panels because there had been no change publicly for wind turbines. Issues around cumulative impact would be dealt with once the surveys were complete.*
- *Members queried why information on community funds was commercially sensitive. Members were advised that there was no precedent nationally regarding community funds being used on Ground Mounted Solar Panels although Community Funds could be used for Wind Turbines.*
- *Members were concerned that in 4.1.3 of the report Mears Ltd was the selected supplier and suggested that as the work had been delayed the Council should try to find better value. Members were informed that the report did not suggest that Mears would be used to carry out the work they were just mentioned as an option as they had an existing framework.*
- *Members commented that the council had admitted that consultation with tenant farmers and the rural community had been inadequate and queried whether they could have confirmation that the intention was to remedy this with a new round of consultation including engagement in an open and transparent way. Members were informed that if they could elaborate on what they believed was inadequate then officers would be happy to rectify the issues.*
- *Members referred to Due Diligence in the report and wanted to know if it was available for members of the public to view. Members were informed that any information that was available for view had been provided if a request had been made. If the information could not be released then people would have been informed of this.*
- *Members referred to the grazing plan and asked if the Executive Director could prove that it was viable and would support the figures and requested a further report be presented to the Commission.*
- *Members requested confirmation that the council was willing to ignore advice from the Department of Communities and Local Government (DCLG) on the impact of large-scale solar farms on local communities which was set out in 5.6 of the report. Members were informed that the DCLG guidance suggested that alternative areas other than agricultural land should be searched for to install ground mounted solar panels and it did not state that areas of agriculture could not be used.*
- *Members asked for clarification on the loss of farm land rental income. Members were advised that the loss of income would be £2.9m over 25 years inflating from today. The latest projection showed that after making the loss of £2.9m over 25 years it would generate between £29 – £32.*
- *Members sought clarification on what consultation had taken place with the farmers. The Executive Director advised that he would be happy to provide a written response with a list of what consultation had occurred.*

- Members were concerned why the financial information was commercially sensitive as there were no private contractors involved. *Members were advised that there was a lot of market sensitivity around negotiating and sales of products needed.*
 - Members queried whether there was a danger of costs rising above the 1.8m already spent on the project. *Members were informed that costs would rise, therefore the project needed to be kept constantly under review. Short term costs were not hitting the Council's revenue budget.*
 - Members requested confirmation that the other 99.75% of the land available for building solar farms had been assessed as the National Planning Framework insisted that a full assessment of all land must be undertaken before granting planning permission on grade 1 to 3 land. *Members were informed that at the start the council looked at all of its major land holdings and the selected land was the only land available to support ground mounted Schemes.*
 - Members requested information on which reports had been commissioned in to ecological and biodiversity concerns and requested the release of all the unedited reports in to the public domain in the interests of transparency. *Members were advised that all reports which had reached the point of submitting the final application to planning had been made publicly available.*
 - Members commented that section 5.4 of the report regarding biodiversity was to be commended and felt it was putting the right message out to the public.
 - Members were given reassurance that bat surveys would be carried out as they were most at risk with wind turbines.
 - Members commented that 4.1.9 of the report discussed the sensitivities around the America Farm site therefore why would it be taken in to account as part of the planning process.
 - Members requested confirmation that the prices of the solar panels would continue to drop even though the EEC had agreed a lower price with Chinese manufacturers. *Members were advised panel prices had dropped but there was no security that prices would drop further.*
 - Members requested confirmation that the figures shown in 6.4.4 of the report included the following:
 1. Grid connection
 2. Research and development costs that had been incurred since 2012
 3. Legal advice
 4. Consultation fees
 5. Archaeological Reports
- Members were informed that all of the above had been included within capital costs.*
- Members sought clarification as to why the project had gone ahead without any initial consultation. *The Executive Director advised that he had acknowledged and apologised in November last year at the joint meeting of Sustainable Growth and Environment Capital and the Commission for Rural issues that consultation had not been adequate at the time and had attempted to address the situation since that time.*
 - Councillor McKean requested that the report be rejected on the grounds that it had not provided the financial information requested from the Commission. He also requested that an extraordinary meeting be held as soon as possible to bring back to the Commission the missing financial information which would include, a three page lower level financial report for both Solar and Wind.
 - A vote was taken to reject the report and have an extraordinary meeting, the commission voted in favour (3 in favour, 4 abstentions).
 - Members commented that this was the largest project in Europe and involved a large financial contribution from the council and requested that an extraordinary meeting be held to discuss figures more accurately to give the Commission confidence that public money was being spent correctly. *The Chairman advised members that he would talk to the Executive Director of Strategic Resources after the meeting regarding timescales and workload.*

RECOMMENDATION

The Commission recommended that Cabinet reconsider going ahead with the Development of Ground Mounted Photovoltaic Panels and in doing that take into account the following:

- Alternative Plan B Option - Dual Use possibilities before any further planning application is submitted.
- An investigation of alternative land use other than agricultural land

ACTIONS

1. The renewable Energy Finance Manager would provide the Commission with the projected sunk costs including the impact of the reduced power purchase agreement.
2. The Commission agreed for the Executive Director of Strategic Resources to:
 - a. Inform the Commission of the cost for Bluesky Peterborough's financial model to go to a public inquiry.
 - b. Bring a separate report back to the Commission on Wind Turbines next year.
 - c. Bring a report to the Commission on Dual Use including both proposals to a future meeting before the proposals were agreed.
 - d. Provide a report on available land for the Ground Mounted Solar Panels.
 - e. Liaise with Lee Collins, Area Manager Development Manager and obtain details around the sensitivities around the two sites near America Farm.
 - f. Provide a report on the future of farms estate and tenant farmers

5. Neighbourhood Plans

The report was presented to the Commission at the request of the Chairman in light of the confusion over neighbourhood plans. The intention of the report was to clarify what neighbourhood planning was and its role within the planning system.

The Chairman specifically raised queries in relation to the definition of neighbourhood planning terms, Community Infrastructure Levy (CIL), the benefits of having a neighbourhood plan and the legality of neighbourhood plans. A presentation was delivered to the Commission and the following key points were highlighted:

- A neighbourhood plan was a plan that set out policies in relation to the development and the use of land. It could also include site allocations.
- A neighbourhood order was a statutory mechanism which automatically granted planning permission for a certain type or class of development.
- Plans and orders must meet basic needs and they need a majority vote at referendum to get adopted.
- Plan policies could be applicable to a whole neighbourhood area or just a specific part.
- Only one neighbourhood plan could be made for each neighbourhood area.
- A development could not be stopped.
- Most of the time and costs associated with the preparation of a plan/order were borne by the Parish Council/ Neighbourhood Forum
- A plan could take up to two years to prepare.
- **Local Plans** were Statutory Development Plan Documents (DPD's) prepared by Local Planning Authorities. The Peterborough Local Plan was a compilation of various DPD's
- **Parish/Village Plans** were plans prepared by Parish Councils as non-statutory plans, such plans carried no weight in reaching decisions on planning applications

Potential advantages of neighbourhood plans or orders:

- Effectively give communities a greater influence over planning in their area
- Facilitates development which was in line with local needs and priorities
- Strengthen community relations
- Become eligible for 25% of relevant CIL receipts compared to the 15% without a plan
- Orders could make the delivery of certain developments quicker and easier

Observations and questions were raised and discussed including:

- Members queried what the difference was between Village Design Statements and Neighbourhood Plans. *The Planning Policy Manager advised members that Village Design Statements were now called Parish Plans and they had no planning status whereas Neighbourhood Development Plans did.*
- Members queried whether existing projects were going to be carried over to the Community Infrastructure Levy (CIL) or if a Neighbourhood Development Plan was needed to be in place before they could be considered. *Members were informed that if the Council wanted to introduce CIL then there would be a decision making procedure to choose which of the existing projects they wanted to spend money on. The Strategic Planning Officer informed the Commission that if no plan or order was in place then the Parish Council would only be eligible for 15% of CIL funding instead of 25%.*
- Members were concerned that the distribution of funds would favour Parished areas and urban areas would lose out.
- Members commented that they had previously been advised that the Council provided villages with a Supplementary Planning Document (SPD) and they did not require any additional document to obtain CIL funding. *Members were advised that the new CIL regulations were decided by the Localism act which was enforced in April 2013.*

6. Use of Homecare Monitoring System – Update

The Chairman advised the Commission that due to unforeseen circumstances there was no officer present to present this report. The Commission agreed to defer this item to the next meeting on 18 November 2013.

7. Notice of Intention to Take Key Decisions

The Commission received the latest version of the Council's Notice of Intention to Take Key Decisions, containing key decisions that the Leader of the Council anticipated the Cabinet or individual Cabinet Members would make during the course of the following four months. Members were invited to comment on the Plan and, where appropriate, identify any relevant areas for inclusion in the Commission's work programme.

ACTION AGREED

The Commission noted the latest version of the Council's Notice of Intention to take key Decisions.

8. Work Programme

Members considered the Commission's Work Programme for 2012/13 and discussed possible items for inclusion.

ACTION AGREED

To enquire if it was possible to add the Educational Attainment of Primary Schools within the Educational Attainment for Rural Areas report which would be presented at the next meeting of the Scrutiny Commission for Rural Communities.

The meeting began at 7.00pm and ended at 9.30pm

CHAIRMAN

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