Cabinet



Date of meeting: 08 November 2022

Title of Report: Chelson Meadow Solar Farm

Lead Member: Councillor James Stoneman (Cabinet Member for Climate Change)

Lead Strategic Director: Anthony Payne (Strategic Director for Place)

Author: Kat Deeney / Paul Elliott

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Your Reference:

Key Decision: Yes

Confidentiality: Part I - Official

Purpose of Report

To gain an in principle cabinet decision on the first of 5 business cases relating to financing the construction of the proposed solar farm at Chelson Meadow which gained planning permission in the summer.

Recommendations and Reasons

That Cabinet:

- Note the full Business Case
- Approve the capital allocation of £320,000 for development works, as set out in the business case to inform future reports and final approval of the Business Case.
- Note that the final Business Case will be brought back to by March 2023 for a final decision on whether to proceed with the Project.

Alternative options considered and rejected

The alternatives would be to not to allocate funding and proceed to undertake feasibility for the scheme. Given the Council's increasing energy costs and the possible savings that can be achieved through the Project it would be prudent to explore the possibility to bring forward the scheme and assist in alleviating budget pressures by mitigating the cost of energy.

Relevance to the Corporate Plan and/or the Plymouth Plan

Directly feeds into the priority 'A green sustainable city that cares about the environment'.

Implications for the Medium Term Financial Plan and Resource Implications:

The solar farm as a whole provides the opportunity to generate an income over the lifetime of the asset (up to 30 years). It also provides an opportunity for The Council to purchase the electricity generated, this will guarantee and provide certainty over its electricity costs over the long term.

Subject to the project proceeding and gaining final approval for implementation the £320,000 development costs will be funded by loan repayments through securing a long-term debt.

Financial Risks

Planning approval has removed a significant risk to the project.

The recent and future interest rate, inflation and energy price rises will affect the cost and potential income of the project. We have completed some modelling and currently the business model is resilient as increases in prices are mitigated by increases in energy cost. More work has been commissioned to help inform the BC in March.

There is a risk should the project not proceed that development costs could not be capitalised and would therefore fall as a revenue pressure.

Carbon Footprint (Environmental) Implications:

Hugely beneficial and positive impact in reducing the Council's carbon emissions predicted to be 60% of carbon emissions and providing 75% of the Council's electricity needs.

Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:

* When considering these proposals members have a responsibility to ensure they give due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.

Appendices

*Add rows as required to box below

Ref	Title of Appendix	Exemption Paragraph Number (if application of the information is confidential, you must indication by virtue of Part I of Schedule of the Local Government Act 1972 by ticking the relevant by		indicate Iule 12A				
		ı	2	3	4	5	6	7
Α	Chelson Solar Investment Business Case							

Background papers:

*Add rows as required to box below

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are <u>unpublished</u> works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	Exemption Paragraph Number (if applicable) If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part I of Schedule I2A of the Local Government Act 1972 by ticking the relevant box.							
	ı	2	3	4	5	6	7	

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Sign off:

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Originating Senior Leadership Team member: Anthony Payne (Strategic Director for Place)

Please confirm the Strategic Director(s) has agreed the report? Yes

Date agreed: 18/10/2022

Cabinet Member approval: Councillor James Stoneman (Cabinet Member for Climate Change) –

approved verbally

Date approved: 19/10/2022