

Cabinet



Date of meeting:	09 February 2023
Title of Report:	Chelson Community Solar Joint Venture
Lead Member:	Councillor James Stoneman (Cabinet Member for Climate Change)
Lead Strategic Director:	Anthony Payne (Strategic Director for Place)
Author:	Paul Elliott
Contact Email:	Paul.Elliott@plymouth.gov.uk
Your Reference:	Click here to enter text.
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report

The in principle business case for the Chelson Meadow Solar Farm was approved at cabinet in October 2022. This gave approval to continue the feasibility and development work needed in order to build a solar farm at Chelson Meadow.

One of the key elements of this was the creation of a joint venture. This report brings the business case surrounding the joint venture creation for approval.

Recommendations and Reasons

- Approves the business case to co-create and join a joint venture company (Chelson Community Solar) with Plymouth Energy Community, which will construct, own, and run the proposed Chelson Meadow solar farm.
- Approve the appointment of Anthony Payne - Strategic Director for Place, and Kat Deeney – Head of Environmental Planning – as initial directors to the joint venture company.
- Delegate to Kim Brown - Service Director HROD - the authority to enter into all relevant documentation and agreements in relation to the joint venture vehicle.
- Approve the appointment of Kim Brown - Service Director HROD - to act as the shareholder representative and to exercise all voting rights on behalf of the Council as member of the company subject to Key Decisions (as defined by the Council's Constitution) being reserved to the Leader/ Cabinet) and take any necessary action to protect, safeguard and effectively manage the Council's interest in the Local Authority Trading Company

Alternative options considered and rejected

If the creation of the joint venture is not approved it could create the following risks:

- Result in a delay of construction until 2024 and the subsequent income until 2025.
- Deny the Council the opportunity of benefiting from the forecast income generation via the joint venture.

- Deny the Council an input into how the solar farm operates, and ultimately how, and who, the power is sold to.

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.

Financial Risks

Planning approval has removed a significant risk to the project.

The recent interest rate, inflation and energy price rise will affect 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.

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.*

H & S risks will be dealt with as part of construction. The conditional planning approval ensured that due regard was given to the impact of the solar farm on the city.

Appendices

**Add rows as required to box below*

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable)						
		<i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
		1	2	3	4	5	6	7
A	Capital Investment BC Chelson Joint Venture							

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 unpublished 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)
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	<i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
	1	2	3	4	5	6	7

Sign off:

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Originating Senior Leadership Team member: Anthony Payne											
Please confirm the Strategic Director(s) has agreed the report? Yes Date agreed: 17/01/2023											
Cabinet Member approval: James Stoneman – approved verbally Date approved: 16/01/2023											