Agenda Item No.

DERBYSHIRE COUNTY COUNCIL

D2 JOINT COMMITTEE FOR ECONOMIC PROSPERITY

7 OCTOBER 2021

RENEWABLE ENERGY STUDY FOR DERBY AND DERBYSHIRE

(1) Purpose of Report

1.1 The purpose of this report is to inform the D2 Joint Committee (D2JC) of continued joint work that is taking place across Planning services to develop up to date and meaningful policies to help tackle climate change. The report also seeks to secure funding to support the current work and ensure its timely completion. Derbyshire).

(2) Discussion / Decision Required by the D2JC

2.1 The D2 Joint Committee is recommended to:

i) **Note the progress made to incorporate climate change into planning policy.**

ii) **Agree the allocation of £12,500 from the Retained Business Rate Pilot to match fund a renewable energy study covering Derby, Derbyshire and the Peak District National Park area.**

(3) Information and Analysis

Policy Context

3.1 Recent international and national reports have made it abundantly clear that we are at a critical time for action on climate change. The fate of future generations depends on our ability to take immediate and decisive action to deal with climate change and the latest Intergovernmental Panel report illustrates the vital need to reduce climate change emissions now by transforming our energy systems.

3.2 The UK has a legal commitment to bring all greenhouse gas emissions to net zero by 2050 with a minimum 78% reduction by 2035 compared to 1990 levels. Derby and Derbyshire must play its part in this by reducing emissions and increasing renewable energy generation.

3.3 Local planning authorities are bound by the legal duty set out in Section 19 of the 2004 Planning and Compulsory Purchase Act, as amended by the 2008 Planning Act, to ensure that, plan policy contributes to the mitigation of, and adaptation to, climate change. This outcome-focused duty on local planning clearly signals the priority to be given to climate change in plan-making.

3.4 In planning for renewable energy, paragraphs 155, 156 and 158 of the National Planning Policy Framework encourage local authorities to take a positive approach by identifying suitable areas for renewable energy generation and its supporting infrastructure, and by maximising the opportunities for community-led and decentralised energy production. Spatial planning plays a central role in the transition to a low-carbon society and in setting the framework for this infrastructure.

3.5 Local planning authorities produce local plans, minerals and waste plans and transport plans and are therefore uniquely positioned to take a leading role in tackling climate change and integrate proposals for energy infrastructure through these various planning documents, helping reduce greenhouse gas emissions and encouraging renewable energy generation.

3.6 There is already a strong, common platform of support for work in this area as each of the district, borough, County, City and National Park authorities have either declared a climate change emergency or adopted an alternative motion to address climate change and in doing so, have also worked closely to develop the Derbyshire Environment and Climate Change Framework.

Proposal

3.7 It is proposed to commission a Renewable Energy Study to enable future energy requirements and generation typology to be identified including their preferred spatial locations. This study would provide the evidence to ensure renewable energy and climate change is embedded in both planning policy and new development within Derbyshire and guide the location of future renewable energy schemes. This study would therefore support the local planning authorities' aspirations to reduce emissions.

3.8 The Study will provide key information and a clear evidence base, the need for which has been identified both in the Derbyshire Climate Change Strategy and through collaborative working on climate change by Derbyshire local planning authorities which evolved from the Vision Derbyshire Planning Policy and Climate Change workstream.

3.9 Ten out of 12 local plans in Derby and Derbyshire (including the Minerals and Waste Local Plans) are currently being replaced or are in a review process and it is therefore an opportune moment to: develop a Derbyshire-wide understanding of how much energy is needed; where renewable energy generation developments could be located; and the potential energy generating

capacity from renewable sources that may exist in Derbyshire. The special natural and built environment qualities of Derbyshire will have a significant bearing in shaping the future potential for, and spatial location of, renewable energy projects and will form an important element of the Renewable Energy Study for the county.

3.8 To highlight this issue, there has recently been a significant number of speculative planning applications within the county for substantial solar farms and there is little or nothing in the current Local Plans in terms of up-to-date evidence to guide the acceptable location of such developments.

3.9 By delivering a timely Renewable Energy Study at a Derby and Derbyshire level this would allow best practice, effectual climate change policies which are grounded in a robust evidence base to be incorporated into local plans. It would provide virtually full coverage of Derby and Derbyshire by the end of 2023 (subject to examination), provide a consistency of approach across the county and create a framework within which renewable energy can be encouraged.

3.10 In summary, the production of a Renewable Energy Study will provide the following multiple outputs, allowing all the authorities to:

- Understand Derbyshire's (including Derby City) future energy requirements for power, heat and transport
- Understand the potential for renewable energy generation by typology in Derby and Derbyshire
- Provide a robust evidence base to inform the production of a collaborative Climate Change Supplementary Planning Guidance document which will inform and support local plan policy development across Derby and Derbyshire and provide transferable outputs.
- Identify the preferred spatial locations for renewable energy generation typologies within the context of locational constraints such as landscape or environmental designations; and where renewable energy generation could support proposed residential or employment development.
- Identify grid and infrastructure issues and constraints
- Support existing understanding of potential job generation and skills requirement
- Consider future trends and innovation in energy use, generation and storage
- Explore the impact on the viability of new developments which will have to incorporate new technologies
- Provide model policy wording which could be transferred to other areas.

3.11 This Renewable Energy Study will also compliment the recent study by Arup commissioned by Derby City which provides a strong baseline on opportunities around potential hydrogen as an energy source for the region and sets out a roadmap of how that could become a reality. The study also carefully assesses potential locations for production, distribution, and storage of hydrogen.

3.12 The Study will cost in the region of £50,000 having been benchmarked against other projects. A successful application for £25,000 funding has been made to the Midlands Energy Hub (MEH). A further successful application of £12,500 has been made to D2N2 LEP's Energy Board which can be used as match funding against the MEH funding. A final £12,500 now needs to be secured to reach the £50,000 required to enable to the project to move forwards.

3.13 Given the county-wide nature of this work and the potential positive impact for all local authorities in providing a strong evidence base to support the planning process, it is proposed that the Retained Business Rate pilot be utilised as a source of funding. The fund is held/ managed by the Joint Committee and currently has a remaining budget of £940,000. A similar decision to support county-wide work on the Festival of Business through use of the Retained Business Rate fund was made at the previous D2 Joint Committee.

(4) Recommendations

4.1 In the context of the above, the D2 Joint Committee is asked to approve the allocation of £12,500 from the Business Rate Retention Pilot fund towards a joint Renewable Energy Study for the D2 area, to match fund the £37,500 secured from the D2N2 LEP and Midlands Energy Hub.