

**FOR PUBLICATION**

**DERBYSHIRE COUNTY COUNCIL**

**Cabinet Member for Corporate Services**

**24/11/2022**

**Approval of Allocation from the Feasibility Reserve for projects on the  
Net Zero Programme for 2023-24**

**1 Divisions Affected**

1.1 County-wide

**2 Key Decision**

2.1 This is not a Key Decision

**3 Purpose**

3.1 To request Cabinet Member approval to allocate £400,000 from the Feasibility Reserve, to enable feasibility works, energy surveys, and engineering reports to be undertaken on carbon reduction projects in 2023-2024 to support the programme to deliver Net Zero.

3.2 In August 2022 Cabinet Member approval was obtained to permit the transfer of £115,000 from the feasibility fund to cover a backlog of feasibilities and surveys from 2022-23. This funding is allocated as noted. Prior to this allocation, the lack of available funding - to support the carbon reduction programme for property - was a significant obstacle to progress.

3.3 The Director of Finance has agreed that an annual allowance is required by Corporate Property to be expended as necessary in accordance with financial regulations. The current methodology of requesting quotes and then funding approval is too slow and handicaps the ability to undertake the necessary project development work. A bid for revenue funding was submitted, and the feedback is that this funding should be allocated from the Feasibility Reserve following the same methodology as the previous request for cabinet member approval.

3.4 The request for revenue funding to support project development for carbon reduction will be annual.

## 4.0 Information and Analysis

- 4.1 On 7th April 2022 Cabinet approved the establishment of a Feasibility Reserve to enable assessment and viability work to be undertaken on Corporate, Investment and Regeneration initiatives.
- 4.2 The current delegation enables the Executive Director of Corporate Services and Transformation, to have delegated authority to approve allocation of up to £100k. Sums more than this are to be approved by the Deputy Leader and Cabinet Member for Corporate Service and Budget.
- 4.3 Global warming is a widely recognised climate phenomenon. A global rise in temperature is due to an increasing atmospheric concentration of 'greenhouse gases' including methane and carbon dioxide.

The UK is committed to reducing greenhouse gas emissions and achieving a balance between energy use and renewable energy generation.

- 4.4 The Council also has a commitment to reduce carbon emissions and achieve Net Zero by 2032 or sooner.

This means continually reviewing our corporate buildings to identify the measures that are necessary to reduce energy use and initiate the necessary action to identify improvement measures and reduce carbon emissions.

- 4.5 These actions may include:

- Feasibility studies for the installation of photo-voltaic panels on existing corporate buildings including  
Whitstones HOP  
Castle Court HOP  
The Grange HOP  
The Outlook Centre  
Hasland Resource Centre
- Structural reports associated with above.
- Energy Audits associated with the above
- Intrusive surveys to identify existing roof insulation and associated fire resistance.
- Additional Energy audits on other sites
- Preparation of Public Sector De-Carbonisation bids
- Thermographic surveys and investigations to identify the provision of existing insulation and scope to install additional insulation.
- Engineering investigations to advise on the feasibility of de-carbonising heating and hot water systems

- Third party investigations to review existing buildings and the condition of electrical installations to scope the potential and cost for the installation of remote monitoring kit.
- Feasibility studies to replace existing gas boilers with alternative renewable technologies including The Outlook centre, Killamarsh Childrens Centre and Hasland Resource Centre
- Investigation of existing electricity supply capacity and cost to transfer from gas to electric heating systems.
- Investigation of the national grid and the potential to secure grid connections in our region for solar farms etc.
- Feasibility studies and professional services required to support the proposed development of solar farms or wind power projects.

4.6 As a result of progressing these investigations the council can formulate the next annual programme for proposed carbon reduction capital projects, with an additional revenue bid for improvement measures which do not constitute capital works.

4.7 In 2022-23 this preparatory work enabled the submission of:

£6m capital programme bid for carbon reduction projects to save 2.2 million kWh of energy use – equivalent to a carbon reduction saving of 450 tonnes of CO2

£3.75m capital programme bid for the development of a solar farm at Williamthorpe which will generate 3.2million kWh of renewable energy which will offset residual energy use associated with corporate property or elsewhere- equivalent to 620 tonnes of CO2.

A PSDS bid to decarbonise Alice’s View Childrens Centre.

The total value of these proposed projects – if approved - could reduce our carbon emissions for property by 11%.

We need to develop a similar programme each year, and the allocation of this funding will enable the council to achieve this.

4.8 The 2022-23 feasibility fund allocation of £115k has been allocated as follows:

	Planned	Actual	
Energy Audits for three of the worst performing buildings (historic) procured via CDL	£32k		£32k
Feasibility assessment to install Photo-Voltaic panels	£22k	Order placed with CDL	£22k

on 7no school sites procured via CDL

CDL Feasibility for thermal upgrade of the Leys Resource centre, Ashbourne	£3k	Nil On hold on the instruction of ASC DMT
Feasibility assessment to install Photo-Voltaic panels on 3no HOPs currently under refurbishment procured via CDL	£10k	£10k Order placed with CDL
Feasibility assessment to install Photo-Voltaic panels at 5no HOPs to be retained procured via CDL.	£18k	Funding ring-fenced for order pending submission of pv feasibilities already commissioned
CDL Feasibility Study for pv and ASHP for Alice's View Childrens Centre	£15k	£1k To PSDS bid by Uk Energy Watch Remaining funding ring fenced for further feasibility work pending approval to bid
Contingency	£15k	£1k Shand House SE report £1k external consultant grid capacity report £1k external support to scope remote monitoring kit for 5no additional HOPs £12k funding reserved for thermographic surveys – awaiting CDL quote
Total	£115k	£112k

## 5 Consultation

Consultation has been undertaken with the Climate Change Group, and Finance

## 6 Alternative Options Considered

Do nothing - would mean the Council cannot progress the development of the programme necessary to meet the climate change objective.

## 7 **Implications**

7.1 Appendix 1 sets out the relevant implications considered in the preparation of the report.

## 8 **Background Papers**

None

## 9 **Recommendation(s)**

9.1 That Cabinet Member

- a) approve an allocation of £400,000 from the Feasibility Reserve in order to progress with feasibility and reviews for the above-mentioned schemes, at paragraph 4.5, in order to progress the Councils commitment to Net Zero.

## 10 **Reasons for Recommendation(s)**

10.1 To move toward the plan necessary to achieve the Council commitment for Net Zero.

## 11 **Is it necessary to waive the call-in period?**

No

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Implications

**1 Financial**

- 1.1 The Feasibility Reserve was established to allocate revenue budget and allow projects to be implemented which will support the delivery of the outcomes identified in the Council Plan 2021-2025, these projects are aligned to the objective “A Prosperous and Green Derbyshire”.
- 1.2 Proposed feasibility studies would give a greater understanding of the future savings that could be generated and would help to determine the cost effectiveness of individual schemes.
- 1.3 Prior to any implementation of schemes, individual assessments would demonstrate the cost benefit analysis. In addition, further approvals will be sought in line with Financial Regulations prior to schemes going ahead.
- 1.4 Current advice from Finance on the balance of the Feasibility Reserve is as follows  
“There has been £2m put aside, there are some relatively small commitments but not eating into the balance”10/11/2021

**2 Legal**

- 2.1 There are no legal implications arising from the allocation of funding from the feasibility reserve, but the Director of Legal and Democratic services will provide advice as necessary in relation to specific projects

**3 Human Resources**

- 3.1 No implications

**4 Information technology**

- 4.1 No implications

**5 Equalities Impact**

- 5.1 Relevant consideration has been completed whilst developing the current and this proposal.

**6 Corporate objectives and priorities for change**

- 6.1 The Council has an objective to achieve Net Zero by 2032 or sooner.

**7 Other (for example, Health and Safety, Environmental Sustainability, Property and Asset Management, Risk Management and Safeguarding)**

7.1 Policy and procedures will be followed as required to deliver the programme of works.