

REPORT TO: Cabinet Member – Technical
Cabinet Member – Environmental
Cabinet Member – Regeneration
Cabinet -

DATE: 20th Oct 2010
20th Oct 2010
27th Oct 2010
28th Oct 2010

SUBJECT: Towards a Low Carbon and Renewable Energy Network for the
Liverpool City Region

WARDS AFFECTED: All Wards

REPORT OF: Bill Milburn – Strategic Director Communities
Andy Wallis – Planning and Economic Development Director

CONTACT OFFICER: Andrew Hall - 3604

**EXEMPT/
CONFIDENTIAL:** No

PURPOSE/SUMMARY:

To provide Members with details for developing a Low Carbon and Renewable Energy Network for the Liverpool City Region and to seek Members consent for Sefton Council to be the accountable body for the sub-regional bid.

Funding had been offered through the Department of Communities and local Government to support the Climate Change Local Area Support Programme (CLASP), inviting sub-regional bids by the 30th September 2010. The programme will conclude June 2011 so all necessary outputs and outcomes will need to be delivered within than period. Agreement has been reached across the Liverpool City Region (LCR) that there should be a single co-ordinated bid.

The project will build community, member and officer ability in/ support for renewables installations/ climate adaptation through co-learning and shared services that allows LCR to do more with less through joint action to reduce costs whilst improving performance. This concept behind this work is to build the LCR ability to make progress on the substantial opportunities the low carbon economy offers but to do it in a way that develops an efficient approach and use of the capacity available.

It is proposed Sefton Council act as the accountable body, given that the LCR Board for Environment & Waste would like the Merseyside Environmental Advisory Service (MEAS) (who are hosted by Sefton) to be the project manager. The project would simply be added to the existing partnership arrangements between MEAS/Sefton and the other 5 Districts by identifying this specific project as a priority within the work programmes.

REASON WHY DECISION REQUIRED:

To comply with reporting procedures

RECOMMENDATION(S):

It is recommended that:-

Cabinet Member for Regeneration, Environment and Technical Services:-

1. Support the proposal to begin to develop a Low Carbon and Renewable Energy Network for the Liverpool City Region funded through the DCLG
2. Continue to receive updates on this proposal as it develops through the Climate Change Co-ordination Group (CCCG)

Cabinet:-

3. Support the proposal to begin to develop a Low Carbon and Renewable Energy Network for the Liverpool City Region funded through the DCLG
4. Agree to Sefton Council being the accountable body for this sub-regional approach, to be hosted and project managed by MEAS

KEY DECISION:

No

FORWARD PLAN:

No

IMPLEMENTATION DATE:

Immediately after the call in period

ALTERNATIVE OPTIONS:

- 1) Not to proceed with the LCR bid for funding
- 2) Another Council within the LCR is requested to come forward to act as the accountable body

IMPLICATIONS:**Budget/Policy Framework:****Financial:**

Financial management would be undertaken by MEAS in the same way that MEAS already manages several other projects on behalf of the LCR. Acting as the accountable body for this funding is considered low risk and at would no cost to the Council.

<u>CAPITAL EXPENDITURE</u>	2010/ 2011 £	2011/ 2012 £	2012/ 2013 £	2014/ 2015 £
Gross Increase in Capital Expenditure				
Funded by:				
Sefton Capital Resources				
Specific Capital Resources				
<u>REVENUE IMPLICATIONS</u>				
Gross Increase in Revenue Expenditure				
Funded by:				
Sefton funded Resources				
Funded from External Resources				
Does the External Funding have an expiry date? Y/N	When?			
How will the service be funded post expiry?				

Legal:

Legal have been consulted and this project will be added to the existing partnership agreements between MEAS (Sefton Council) and the other 5 Districts. It will form part of the MEAS work programme and is viewed as an operational decision to be made with the Directing Group.

Risk Assessment:

Yes - The Risk associated with Sefton acting as the accountable body is advised as low given the nature of the proposal and deliverables expected from this funding (This is set out in section 3.0 of the report).

Asset Management:

No

CONSULTATION UNDERTAKEN/VIEWS

FINANCE FD 527 - The Interim Head of Corporate Finance & Information Services has been consulted and his comments have been incorporated into this report.

LEGAL

ENVIRONMENTAL AND TECHNICAL SERVICES DEPARTMENT
NEIGHBOURHOODS INVESTMENT PROGRAMMES DEPARTMENT
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT

CORPORATE OBJECTIVE MONITORING:

<u>Corporate Objective</u>		<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community	/		
2	Creating Safe Communities		/	
3	Jobs and Prosperity	/		
4	Improving Health and Well-Being	/		
5	Environmental Sustainability	/		
6	Creating Inclusive Communities	/		
7	Improving the Quality of Council Services and Strengthening local Democracy	/		
8	Children and Young People		/	

LIST OF BACKGROUND PAPERS RELIED UPON IN THE PREPARATION OF THIS REPORT

1.0 BACKGROUND:

Funding through the Department for Communities and Local Government (DCLG) is available to support the Climate Change Local Area Support Programme (CLASP). Its purpose is to increase local authority capacity to tackle the causes and effects of climate change in the North West of England.

The requirements of this funding stream are to build skills and capacity across the range of local authority responsibilities to:

- Help local authorities understand and undertake their role in tackling climate change;
- Facilitate the delivery of increased renewable energy supply through supporting the local planning process
- Allowing planning departments to promote better community engagement in climate change and the planning process, including on renewable technologies

Funding of £100,000 had been offered to each of the five sub-regions to submit proposals by the 30th September 2010. The programme will conclude June 2011 so all necessary outputs and outcomes will need to be delivered within that period. Agreement has been reached across the Liverpool City Region (LCR) that there should be a single co-ordinated bid.

Given the tight deadline, an outline bid was presented to and approved by the LCR Waste & Environment on 20th September 2010, in conjunction with a paper drafted by Knowsley (as Board lead on Low Carbon Energy) on options for delivering low carbon services in the future. The Board endorsed the concept of exploring the potential for a LCR Low Carbon Hub and this will be added to the Board's forward work plan (administered by MEAS). TMP and the NWDA were both in attendance and supported this approach. Discussions are ongoing with Liverpool City Council to ensure that their needs are accommodated as far as possible within the bid given that Liverpool was considering a separate bid to CLASP.

The application has been drafted by Knowsley MBC (as CLASP Advisory Group rep for the city region), with informal inputs from peers in the city region (environment, planning, regen).

2.0 Current Position

The submission will – build community, member and officer ability in/ support for renewables installations/ climate adaptation through co-learning and shared services that allows LCR to do more with less by joint action to reduce costs whilst improving performance. This concept behind this work is to build the LCR ability to make progress on the substantial opportunities the low carbon economy offers but to do it in a way that develops and makes more efficient use of existing capacity.

It is proposed Sefton Council act as the accountable body, given that the Board would like MEAS (who are hosted by Sefton) to be the project manager. The Board are aware that there is due process required by Sefton Council and that this would have to be completed (Approved by Sefton's Cabinet) after the submission date. This position is reflected in the funding bid of 30th September.

The project will be added to the existing partnership arrangements between MEAS/Sefton and the other 5 Districts by identifying this specific project as a priority within the work programmes. Financial management would be undertaken by MEAS in the same way that MEAS already manages several other projects on behalf of the LCR.

The proposal includes a budget option for £0.100m (Scenario 1). In the event of under spend elsewhere, additional works are proposed too £0.200m (Scenario 2). No other sub-regional bids are expected, and therefore chances of success are considered to be good.

Project work streams will be based around 'Community Awareness', 'Planning Department Engagement' and options for how a LCR Low Carbon Hub might develop. Given the gap in external expertise and the short timeline, delivery will be through a combination of external advisors and nominated Council staff. A sub-group of the LCR Waste & Environment Board will be convened to 'task and finish' this programme for LCR.

The project will complement and build on existing capacity and ongoing activity in the City Region, the LCR Renewable Energy Capacity Study, and the emerging LEP, to map capacity and skills gaps and suggest a future framework for delivering low carbon services more efficiently across the City Region, with a core principle being to find ways to do more with less. Deliverables are expected to include:

- 'How to' training and guide for community groups
- Toolkit & handbook for planners to assist work with developers and others
- NVQ qualification for business advisors and RSLs (options and issues study)
- Skeleton business plan for a public-led ESCO and Low Carbon Hub (including investor brochure for district heating projects or mechanism for carbon compensation levy).

The project will be overseen by a small, but senior, steering group with overall reporting of progress to the LCR Environment and Waste Board. A lean and efficient project management approach will be adopted.

3.0 Risk Assessment

The Risk associated with Sefton acting as the accountable body is advised as low given the nature of the proposal and deliverables expected from this funding.

Risk	Managed
Timeline to meet deliverables by 2011	<p>Deliverables are revenue based around building capacity and awareness within communities and planning departments and developing longer term options for a LCR Low Carbon Hub.</p> <p>Early agreement of the detailed work plan on award of funding.</p> <p>Deliverables will be supported by external advisors, who are experts in this field 40%</p>
Financial	As this is 100% funded, there is no direct additional cost to Sefton Council or any of the project partners.
Impact on MEAS core service	<p>MEAS will receive a management fee of 10%</p> <p>The work area is an existing priority for MEAS and the Districts via the work</p>

	programme. Through more effective co-ordination duplicated effort will be avoided.
Impact on Council Staff	Part-time staff secondments (Open to MEAS and Councils) are included in the budget 40% to support deliverables
	Allowance made for expenses 10%

4.0 Conclusion

The project offers an excellent opportunity for the wider City Region and synergy with on-going work such as those being led by the Low Carbon Economy Panel chaired by TMP. It will also help deliver Sefton Council's ongoing commitment to climate change and the low carbon economy (reported to Cabinet 25th November 2009, 5th August 2010) and supported by the Council's 'Climate Change Champions', Cabinet Members for Technical Services, Regeneration and the Environment.

5.0 Recommendations:

It is recommended that:-

Cabinet Member for Regeneration, Environment and Technical Services:-

5. Support the proposal to begin to develop a Low Carbon and Renewable Energy Network for the Liverpool City Region funded through the DCLG
6. Continue to receive updates on this proposal as it develops through the Climate Change Co-ordination Group (CCCG)

Cabinet:-

7. Support the proposal to begin to develop a Low Carbon and Renewable Energy Network for the Liverpool City Region funded through the DCLG
8. Agree to Sefton Council being the accountable body for this sub-regional approach, to be hosted and project managed by MEAS