
Report to: Cabinet

Date of Meeting: 3 December 2015

Subject: Shale Gas (Fracking) Working Group - Final Report

Report of: Head of Regulation and Compliance **Wards Affected:** All

Is this a Key Decision? Yes **Is it included in the Forward Plan?** Yes

Exempt/Confidential No

Purpose/Summary

To present formally the final report of the Shale Gas (Fracking) Working Group.

Recommendation: That the Cabinet be requested to approve the following recommendations:

- (i) That the Head of Regeneration and Housing be requested to establish a Cross-Regulator Working Group, to include Elected Member representation, for all shale gas (and oil) development proposals at all stages;
- (ii) That the Head of Regeneration and Housing be requested to prepare a “Good Practice and Expectations Document” to provide transparency to the industry and the public and that it is appropriately referred to in the explanatory text to Mineral Policy NH8 within Sefton’s Local Plan;
- (iii) That the Head of Regeneration and Housing be requested to ensure that the local validation checklist is updated as appropriate to take account of the issues identified in this Report;
- (iv) That the Head of Regeneration and Housing be requested to ensure that Sefton Council’s Statement of Community Involvement is updated as appropriate to take account of the issues identified in this Report with respect to matters of community engagement in relation to shale gas (and oil) development;
- (v) That the Head of Regeneration and Housing be requested to ensure an Environmental Statement accompanies development that requires it when assessed against the EIA Regulations;
- (vi) That the Head of Regeneration and Housing be requested to ensure that Environmental Monitoring Plans are agreed at each stage of the shale gas (and oil) development cycle;

- (vii) That the Head of Regeneration and Housing be requested to ensure that in respect of the Habitat Regulations any applicant should be advised to engage in early pre-application discussion to ensure that the baseline information provided enables Sefton Council to complete the assessment of likely significant effects of proposed projects; and
- (viii) That the Head of Regeneration and Housing in consultation with the Chief Finance Officer be requested to complete a regulatory capacity assessment of low, medium and high development scenarios in order to inform resource planning and budget allocation and inform liaison and negotiation with applicants include planning performance agreements of other such similar mechanisms.

How does the decision contribute to the Council’s Corporate Objectives?

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

Reasons for the Recommendation:

The Working Group has made a number of recommendations that require approval by the Overview and Scrutiny Committee (Regeneration and Environmental Services) and the Cabinet.

What will it cost and how will it be financed?

There are no direct financial implications arising for the Council as a direct result of approving this report. Based on the conclusions arrived at in Section 5.6 of the report, it is unlikely that any development proposals will come forward for consideration in the short term.

However it should be noted that, based on experience in Lancashire, applications from the shale industry have the potential to be very resource intensive (Section 7.12 of the report refers). There is a risk that, in the event of a development proposal needing to be considered, the cost of effectively administering and informing the planning and regulatory process could be substantially greater than any fees charged. Planning fees fall a long way short of the cost of joined up Local Authority regulation of this activity and there is a need to explore mechanisms to build capacity in the long term.

Implications: N/A

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

Legal	
Human Resources	
Equality	
1. No Equality Implication	<input checked="" type="checkbox"/>
2. Equality Implications identified and mitigated	<input type="checkbox"/>
3. Equality Implication identified and risk remains	<input type="checkbox"/>

Impact on Service Delivery: N/A

What consultations have taken place on the proposals and when?

The Chief Finance Officer has been consulted and notes that there are no direct financial implications for the Council arising from the findings of the Working Group. However in the longer term it has to be recognised (given Lancashire County Council's experience) that a risk exists that the cost of dealing with a shale gas application will exceed income generated from planning fees. Fees currently fall a long way short of the cost of joined up Local Authority regulation of this activity and there is a need to explore mechanisms to build capacity. (FD 3874/15)

The Head of Regulation and Compliance has been consulted and has no comments on this report as there are no legal implications arising from the contents of this report. (LD 3157/15).

Are there any other options available for consideration? The Cabinet and Council could decide to amend or not approve the recommendations.

Implementation Date for the Decision

Following the expiry of the call-in period following the publication of the Cabinet minutes

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Background Papers:

There are no background papers available for inspection.

BACKGROUND:

The Overview and Scrutiny Committee (Regeneration and Skills) established the Shale Gas (Fracking) Working Group. Accordingly, the Working Group has met on numerous occasions to undertake such review and its final report, together with associated recommendations, is attached. The Overview and Scrutiny Committee (Regeneration and Skills) at its meeting held on 10 November 2015 agreed the contents of the report and recommend that Cabinet agree the recommendations as set out above and in Paragraph 7 of that report.

The Cabinet is requested to approve the recommendations.