

 Executive 30th March 2011		Agenda Item No. 7
Title	Area Based Grant for Climate Change	
For further information about this report please contact	Gary Stephens, Group Leader Policy, Projects and Conservation	
Service Area	Development Services	
Wards of the District directly affected	All	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006	No	
Date and meeting when issue was last considered and relevant minute number	17 th March 2010, Executive	
Background Papers	Renewable and Low Carbon Energy Resource Assessment and Feasibility Study (available at www.warwickdc.gov.uk)	

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	Yes
Included within the Forward Plan? (If yes include reference number)	Yes, 295

Officer/Councillor Approval		
With regard to officer approval all reports <u>must</u> be approved by the report authors relevant director, Finance, Legal Services and the relevant Portfolio Holder(s).		
Officer Approval	Date	Name
Relevant Deputy Chief Executive	25/02/11	Bill Hunt
Chief Executive	02/03/11	Chris Elliott
CMT	02/03/11	
Section 151 Officer	25/02/11	Mike Snow
Legal		
Finance	25/02/11	Marcus Miskinis
Portfolio Holder(s)	07/03/11	Councillor John Hammon
Consultation Undertaken		
None		
Final Decision?		Yes
Suggested next steps (if not final decision please set out below)		

1. SUMMARY

- 1.1 This report explains the Area Based Grant for Climate Change and seeks the Executive's approval for the allocation of the balance of the grant money available for the coming financial year, 2011/2012.

2. RECOMMENDATION

- 2.1 That the Executive approve the allocation of the balance of the Area Based Grant for Climate Change towards securing evidence to support the Council's emerging Local Plan and climate change policies, including the assessment of possible renewable and low carbon energy projects, and securing expert advice on climate change proposals as part of the Council's assessment of major developments.
- 2.2 That the Executive agree to slip the balance of the 2010/11 budget of £3,300 to 2011/12 by way of earmarked reserve.
- 2.3 That the Executive delegate authority to the Deputy Chief Executive in consultation with the Head of Development Services and Portfolio Holder for Development to spend the Grant within the available budget.

3. REASONS FOR THE RECOMMENDATION

- 3.1 Area Based Grant (ABG) is a non-ring fenced general grant from Communities & Local Government (CLG) to provide support for local authorities in delivering national, regional or local priorities as they see fit. In 2008/09, 2009/10 and 2010/11, the District Council was awarded £22,500 each financial year to reflect the new burdens on local planning authorities arising from the expectations in the Supplement to Planning Policy Statement (PPS) 1 on climate change. The size of the award reflects CLG's estimation of local authorities costs in implementing the requirements of the supplement to PPS1, in particular, gaining an evidence-based understanding of the feasibility and potential for decentralised and renewable or low-carbon technologies to inform planning policy, and additional time spent assessing planning applications for climate change impacts.
- 3.2 In March 2010, the Executive approved the allocation of the balance of the grant remaining towards securing evidence to support the Council's emerging Local Development Framework and climate change policies. This included the investigation into a Carbon Investment Fund (not started due to staff being diverted to other higher priority tasks), advice on climate change adaptation (work completed), and securing expert advice on climate change proposals as part of the Council's assessment of major developments as required. There is currently therefore approximately £42,000 remaining. It is proposed that this is allocated to the following two areas:

Assessment of Possible Renewable and Low Carbon Energy Projects

- 3.3 The Renewable and Low Carbon Energy Resource Assessment and Feasibility Study (funded by the ABG previously) has identified the renewable and low carbon technologies which may be feasible within Warwick District. In the new Local Plan, we will be putting forward policies that require developers to meet targets for on site renewable and low carbon energy generation that utilise such technologies as appropriate. In certain cases, however, it is acknowledged that delivering these

requirements on site will not be feasible. In such circumstances, it will be reasonable for developers to make a contribution towards off site provision.

- 3.4 In order to require contributions towards off site provision, the Council need to have a plan in place that sets out potential projects for renewable or low carbon energy generation that could be funded by such developers. It is possible that these projects could be managed through the creation of a Carbon Investment Fund. It is therefore proposed to use the remaining ABG to appoint expert advisors to identify deliverable projects that could be taken forward, and set out a framework for their long term management. Such projects could involve the Council's assets and present an opportunity for the Council to show community leadership as well as generating revenue through Government incentives, such as feed-in tariffs.

Expert Advice on Major Developments

- 3.5 It is also recommended that a proportion of the Grant be retained for future use by the Council to secure expert advice where necessary to critically assess renewable energy proposals on major developments. Whilst the Council will draw on its own expertise and knowledge in these areas, the specialist nature of some of the technologies will mean that expert support may be required in particular cases. Such advice would be sought only in instances where the Council felt developers were not robustly seeking to achieve the current policy requirements.

4. ALTERNATIVE OPTION CONSIDERED

- 4.1 An alternative option would be to allocate the money to other service areas of the Council. This would, however, not be for the purpose for which it was provided or assist the Council in meeting its requirements in relation to planning for climate change.

5. BUDGETARY FRAMEWORK

- 5.1 An Area Based Grant of £22,500 has been given to the Council by Communities & Local Government for the last three financial years, and it is understood similar awards will be given in the next financial year. It is a non ring-fenced grant that has been awarded to reflect the burdens on local planning authorities of implementing national policy on climate change.

- 5.2 In March 2010, the Executive approved the allocation of the balance of the grant towards securing evidence to support the Council's emerging Local Development Framework and climate change policies, including the investigation into a Carbon Investment Fund and advice on climate change adaptation, and securing expert advice on climate change proposals as part of the Council's assessment of major developments. Accordingly, the grant has been used for the following items:

Climate Change Adaptation Study	£14,860
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(Technical advice has been sought on the specific measures the Council should be requiring on new developments so as to minimise their future vulnerability to the effects of climate change in the District. This advice will be used to inform the new Local Plan and can be taken forward as a Supplementary Planning Document. This advice will also be helpful to the Council as landowner, and can inform future programmes of maintenance/works to Council properties.

Expert advice in assessing renewable energy proposals and other matters £180
(Expert advice has been secured from consultants in assessing the renewable energy proposals put forward for new developments in the past year which has helped inform the Council)

- 5.3 The total budget held for 2010/11 is £20,000 of which £16,700 has been spent (as discussed in paragraph 5.2). The balance of £3,300 is proposed to be slipped to 2011/12 by way of earmarked reserve.
- 5.4 The 2011/12 Budget currently includes £38,700 of the original grant. With the addition of the £3,300 slipped from 2010/11, this will give £42,000 to be allocated as above and will be reviewed at the end of 2011/2012. This will have no impact on the Council's core budget. This will have no impact on the Council's core budget.

6. **POLICY FRAMEWORK**

- 6.1 The recommendation conforms with national, regional and local planning policies and will support the achievement of the environmental objectives of the Corporate Strategy and the Strategic Aims of the Sustainable Community Strategy, specifically to actively minimise environmental impacts.