

To: City Executive Board

Date: 18th February 2009 **Item No:**

Report of: Interim Head of Property & Facilities Management

Title of Report: Renewable Energy Project: Community Scale
Commercial Wind Turbines on OCC land – Lease
Options

Summary and Recommendations

Purpose of report: This report follows the Executive Board approval obtained on 21st April 2008 authorising officers to carry out further investigations and enter into lease options with Partnerships for Renewables (PfR) on the four sites previously identified, subject to a further report back to City Executive Board.

This report outlines the progress, which has been made and makes recommendations to enter into a lease option in respect of the site at South Horspath, to progress discussions on the Watlington and Cutteslowe Park sites to see if these can be brought forward by agreement, and also to investigate further possible Phase 2 opportunities.

Key decision? Yes

Executive lead member: Councillor John Tanner

Report Approved by: Jeremy Thomas (Legal and Democratic Services)
Steve Sprason (Interim Head of Property & Councillor John Tanner (Lead Member for Cleaner, Greener Oxford)
Penny Gardner/Sarah Fogden (Finance)

Policy Framework: Corporate Plan 2008-2011 – Tackle Climate Change & Promote Environmental Resource Management, target of reducing CO₂ emissions in Oxford City by 15% by March 2011, compared to 2005 levels.

Recommendation(s):

That subject to considering the contents of the 'Not for Publication Report' the City Executive Board is recommended to:

1. Approve the entering into of a lease option with PfR on the site at South Horspath on the basis set out in this report and otherwise on detailed terms and conditions to be approved by the Interim Head of Property & Facilities Management in consultation with the Lead Member for Cleaner, Greener Oxford.
2. In the event of the Council being able to obtain vacant possession of the Watlington Road option site by agreement, approve the entering into of a lease option with PfR on detailed terms and conditions to be approved by the Interim Head of Property & Facilities Management in consultation with the Lead Member for Cleaner, Greener Oxford, subject to confirmation that it is not required for cemetery use.
3. Approve the continuation of investigations into the Cutteslowe Park option site to see if this can be brought forward by agreement.
4. Agree to the undertaking of further research into the feasibility of locating wind turbines on any of the other sites previously reported, and also in respect of any new opportunities that may be identified.
5. Note that a further report will be submitted to City Executive Board before any additional sites are committed.

1. Background

- 1.1 This report follows the 21st April 2008 Executive Board approval which authorised officers to carry out further site investigations in order to take forward the granting of lease options to Partnerships for Renewables for sites suitable for wind turbines in Oxford.

- 1.2 A detailed analysis of the possible sites together with title issues has been carried out in order to assess the actual feasibility of the individual sites and a brief summary of these findings can be seen in Appendix 1 of the 'Not for Publication' report that follows. Plans of all the option sites are attached at Appendix 2 of that report.
- 1.3 From the essential due diligence work now carried out, a range of potentially significant restraining issues have been identified. These range from constraints under the Local Plan with regard to how the land is classified, title issues, restrictive covenants, and current tenancies.
- 1.4 Following these investigations two sites have been identified as having the greatest opportunity of being taken forward in the short term. The remaining sites each had significant limitations and as such do not meet the required criteria at this early stage, however they will not be dismissed at this time.
- 1.5 It is proposed that the two possible sites, which are at Watlington Road and South Horspath, will now be subject to more detailed investigations. Both sites are currently subject to Agricultural Tenancies.
- 1.6 At a meeting held on 16th January 2009, the Chief Executive of PfR confirmed that they would wish to enter into negotiations to take an option over the sites at Watlington Road and South Horspath for a period of 3 years to undertake initial feasibility work. They would also want the comfort of an option for an additional 3 years thereafter if required.
- 1.7 The programme of feasibility work would be:
 - During year 1 – various parts of the sites would be tested to find the best location for the turbine.
 - Years 2 and 3 – would then identify the exact position for the wind turbine following which planning permission would be sought.
- 1.8 PfR would require total exclusivity over the option sites. If planning permission were granted during this time PfR would then draw down a 25-year lease. If by the end of year 3 planning has been applied for but not granted PfR would have the ability to extend the option for a further 3 years, prior to entering a 25-year lease after planning has been granted. Members should be aware that under the current proposals once an option on a site has been granted the Council will have no ability to influence or veto the final position of the turbine. There is of course an ability to attempt to vary the proposed terms by negotiation.

2. Planning Issues

- 2.1 The site at Watlington Road falls under SODC and as such the planning permission would be for them to decide. We have confirmed however, that to date there are no wind turbines within the SODC area.
- 2.2 The South Horspath site falls within the Oxford City Council planning authority. In consideration of a wind turbine on land south of Horspath Road there are a number of policies relevant nationally and locally which the Local Planning Authority will have to take into account. The most significant in the Oxford Local Plan 2001-2016 is the encouragement of renewable energy (CP16) and energy efficiency (CP15). These are further endorsed in the Core Strategy where the Council seeks new development to respond to climate change. Other policies will also need to be considered on design, potential noise and nuisance, effect on wildlife and its location in the green belt. The impact of the turbine on its surroundings and local residents will also be a material consideration.

3. Sustainability/Climate Change Considerations

- 3.1 Facilitating renewable energy generation has obvious beneficial impacts on climate change due to the large reduction in carbon compared to conventional energy generation. It also has a wider impact by demonstrating community, regional and national leadership by Oxford City Council tackling climate change.
- 3.2 The amount of electricity generated by each turbine erected is equivalent to the electricity needs of 1100 houses.
- 3.3 There are benefits to Oxford's performance against NI186 (per capita carbon emissions from LA area) from enabling wind energy generation on OCC land.

4. Proposal

- 4.1 The detailed proposals and recommendations are as set out on the 'Not for Publication' report that follows.

5. Recommendations

That subject to considering the contents of the 'Not for Publication Report' the Board:

- 5.1 Approve the entering into of a lease option with PfR on the site at South Horspath on the basis set out in this report and otherwise on detailed terms and conditions to be approved by the Interim Head of Property & Facilities Management in consultation with the Lead Member for Cleaner, Greener Oxford.

- 5.2 In the event of the Council being able to obtain vacant possession of the Watlington Road option site by agreement, approve the entering into of a lease option with PFR on detailed terms and conditions to be approved by the Interim Head of Property & Facilities Management in consultation with the Lead Member for Cleaner, Greener Oxford, subject to confirmation that it is not required for cemetery use.
- 5.3 Approve the continuation of investigations into the Cutteslowe Park option site to see if this can be brought forward by agreement.
- 5.4 Agree to the undertaking of further research into the feasibility of locating wind turbines on any of the other sites previously reported, and also in respect of any new opportunities that may be identified.
- 5.5 Note that a further report will be submitted to City Executive Board before any additional sites are committed.

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Background papers: None