

Lancashire County Council

Environment, Economic Growth and Transport Scrutiny Committee

**Minutes of the Meeting held on Thursday, 25th April, 2024 at 10.30 am in
Committee Room 'B' - The Diamond Jubilee Room, County Hall, Preston**

Present:

County Councillor Rob Bailey (Chair)

County Councillors

S Rigby	A Schofield
A Cheetham	S Serridge
G Dowding	J R Singleton JP
J Gibson	K Snape
J Purcell	

1. Apologies

Apologies were received from County Councillor Jackie Oakes.

2. Disclosure of Pecuniary and Non-Pecuniary Interests

None were disclosed.

3. Minutes of the Meeting Held on 11 March 2024

Resolved: That the minutes of the meeting held on 11 March 2024 be confirmed as an accurate record and signed by the Chair.

4. Enabling Net Zero Infrastructure – National Grid

The Chair welcomed Kiran Jassal, Stakeholder Lead, and Tariq Ajumal, Regional Connections Manager, from National Grid, to the meeting.

A presentation was provided on the National Grid's regional update on their work in the North West, in particular for Lancashire, and ongoing connections reform to enable net zero infrastructure. The report detailed ambitions regarding the National Grid's capacity, and how the transition from fossil fuel led energy to clean low carbon generation would be enabled.

In response to questions from the committee, officers responded as follows:



- It was noted that project requests for the National Grid currently amounted to over 300GW or power; this far exceeded the additional capacity needed to reach Net Zero in Great Britain, which currently stood at 70GW. Officers highlighted that there were ongoing reforms to manage the pipeline of contracts and reduce the number of customers waiting to those who were ready to go with developers and funding in place, helping to mitigate delays in the system.
- The current projection for 70GW additional capacity needed to reach Net Zero was based on future energy scenarios for generation and demand that the system operator (ESO) had released. It was noted that currently, the peak demand on the network was 58.5GW, which highlighted the extent of oversubscription for the grid's contracts as that volume of connections would never be needed.
- Officers highlighted that generation customers were those connected directly to the National Grid's network, and embedded generators were customers deemed too small to connect to the grid so instead connected to regional providers such as Electricity North West (ENW). Connections to local networks still impacted the transmission network as the power flow went back to the grid through Super Grid Transformers. As such, the National Grid was experiencing an increase in power flow coming to the grid and was having to build more transformers, such as those at Middleton to facilitate those connections.
- It was clarified that the Electricity System Operator (ESO) was currently owned by the National Grid and would soon become a public corporation. Its role was to receive customer applications for grid connections and notify the transmission owners. Currently there were three transmission owners across the country.
- On the challenges with achieving Net Zero and the recommendations made by the Electricity Networks Commissioner, Nick Winser, it was highlighted that these were multi-faceted and included issues like constraints with supply chains to build the infrastructure developments and facilitate new connections. Officers confirmed that they would respond to the committee with further information at a later date.
- On green energy, officers highlighted that the National Grid was agnostic and currently bound by license obligations that required them to offer network contracts to all applicants wishing to connect to the network. It was explained this was the reason for why over 500GW of generation customers were coming through the system. It was noted that additional queue management reforms had been brought in to help organise the volume of applications, where applicants had to progress through certain milestones or face either going to the back of the queue, or having their contracts terminated.
- One of the key milestones within a customer's contract was the financial investment decision to ensure that before National Grid began to invest significant funding, the customer was also at that same stage and able to invest.
- On the financial constraints for enabling new connections, it was noted that the National Grid's finance model was managed alongside their regulator, Ofgem, who provided allowances for investing funds into equipment and projects. The National Grid operated in price controls with the regulator



Ofgem, where business plans detailing investment needs were drawn up and passed to Ofgem to consider and scrutinize. The current price control period (T2) would finish in March 2026 and preparations were already underway to plan for the next price control for the next five years from April 2026 (T3). Engagement events had been arranged which councillors were encouraged to attend to learn more about future investment plans. It was noted that approved business plans were published on the National Grid website.

- When new energy supplies were being created, it was explained that the National Grid's role was to facilitate the connection, but they had no control over the cabling route. Establishing the cabling route was the responsibility of the customer who must apply separately for planning permission with local planning authorities. When queried about public engagement, officers assured that any planned extensions beyond the existing operational fence line resulted in extensive consultations with local planning authorities. In addition, it was highlighted that a major projects team would be responsible for community engagement, and that further information would be circulated to the committee.
- In response to a query on using buried cables instead of overhead lines and pylons, it was highlighted that using cables would increase the cost as they were significantly more expensive to install, and they also reduced the capacity potential from around 6-8GW (for overhead lines) to 2GW.

The committee thanked the representatives for the detailed report and presentation.

Resolved: That consideration be given to including an item on smart meters during the 2024/25 work programme process.

5. Strategic approach to decarbonising county council assets and operations

The Chair welcomed County Councillor Shaun Turner, Cabinet Member for Environment and Climate Change, Debbie King, Head of Environment and Climate Change, and Andrew Mullaney, Director of Environment and Planning, to the meeting.

The report provided an overview of the process being followed to calculate the carbon emissions from the estate and operations of the county council; together with the approach being taken to prepare options and costings for action to reduce emissions. This work would be available towards the end of 2024.

The committee thanked the officers for the detailed report and presentation, a copy of which is attached to the minutes.

Comments and queries raised from the committee were as follows:

- It was acknowledged that county council owned buildings across the county were in various states of condition. In the first instance, efforts to reduce emissions had focussed on lower-level interventions and a fabric first approach opting to insulate buildings rather than replacing heating systems or



installing heat pumps. A prudent approach towards investing in council buildings was required, especially if they were to be disposed of in the future.

- The committee queried the challenges with schools' emissions being out of scope from the council's work and what else could be done. Officers acknowledged that there were a number of educational programmes the council could promote such as the Eco Schools programme that were promoted via the Schools' Portal. In addition, there was an annual sustainability conference which schools were encouraged to attend.
- For the council's large procurement contracts valued over £5 million, bidders must have carbon reduction plans in place to be considered.
- It was clarified that all of the council's supply chain and procurement decisions would fit into scope 3 emissions. However, it was reported that these emissions were a challenge to measure. Some councils were looking to include their top purchasing lines with big suppliers and reviewing how to incorporate those into reporting.
- Regarding street lighting, it was confirmed that all actions to reduce emissions as low as possible had been taken and that the council had also purchased a green energy tariff (Renewable Energy Guarantees of Origin (REGO)) to offset emissions. The report recognised that this purchasing decision had a positive impact on the council's emissions, but that street lighting was still included in the overall figures due to current reporting advice – the council differentiated between location-based emissions and purchasing decisions that offset emissions elsewhere. It was further noted that there was a lack of guidance on how to report offsetting emissions.
- It was noted that in theory the council's fleet emissions would move from scope 1 to scope 2 due to switching from diesel to electricity, and continuing to purchase green energy would effectively offset emissions from those.
- On reaching Net Zero with electric vehicles, it was highlighted that there would always remain residual emissions, which would require the council to either implement energy generation or offsetting to balance the matter out. In addition, as the National Grid decarbonises, the emission factor over future years would continue to reduce.
- While the government's national target was to achieve Net Zero by 2050 with the Grid being decarbonised, the key factor for councils to determine was whether they could aim for a date before 2050. It was highlighted that when setting such targets, cost factors needed to be considered – the further ahead of the national goal that a council aimed for, the higher the costs incurred would be.
- One member felt there was a lack of urgency across the council regarding climate initiatives. Whilst it was highlighted that the council had already reduced its emissions by a third since 2019, the council now had a dedicated team who was working on a meaningful, and realistic plan to achieve Net Zero.
- Officers confirmed that a Carbon Descent Plan was being produced that would present a range of scenarios and interventions required to go ahead of the national target and the costs associated with those options. The plan would be presented to Full Council by the end of 2024.



In summarising, the Chair thanked officers for the report and looked forward to receiving further reports that were relevant to the committee's remit.

Resolved: That no recommendations be made at this time.

6. Carbon Capture through Nature

County Councillor Shaun Turner, Cabinet Member for Environment and Climate Change, Debbie King, Head of Environment and Climate Change, and Andrew Mullaney, Director of Environment and Planning presented a report to the committee containing an update on the council's activity to capture carbon through nature projects, including tree planting, peatland restoration and trials of biochar to store carbon in soil. A presentation was also provided to complement the report. A copy of which is attached to the minutes. The committee expressed its appreciation to see Lancashire at the forefront of new projects including the use of biochar.

In response to queries from the committee, officers responded as follows:

- Concerns regarding the sole use of virgin felled trees in the making of biochar were made. Officers responded that much of the wood used came from land management practices such as bush clearances and trees that had already been planned for felling. It was also noted that Lancashire had a high volume of Ash Dieback cases that would provide a considerable amount of virgin timber that would need to be disposed of. There was a preference to recycle this for the purposes of increasing carbon capture.
- It was confirmed that more community projects would be taking place, including further work with schools and community groups on tree planting. A request was made for further information to be circulated to all councillors to assist with finding opportunities in their divisions.
- On whether partnerships with extensive landowners were being explored to encourage tree planting to mitigate water runoff and prevent flooding, it was reported that whilst the council was working with multiple environment organisations, district councils, and parish and town councils, opportunities to work with United Utilities and other private landowners and businesses were being explored as well. United Utilities were already involved in the peatland restoration projects as a landowner and had matched funded contributions with the council.
- It was recognised that under current legislation green waste streams from across the county could not be turned into biochar. In considering this point it was suggested that the Cabinet Member be asked to challenge the legislation. If positive results were proven from the biochar test schemes, it was confirmed there would be a push for change in legislation.

Resolved: That the Cabinet Member for Environment and Climate Change, following the outcomes of the biochar project gives consideration to challenging the UK waste regulatory framework regarding the use of green waste for the production of biochar.



7. Work Programme 2023/24

The committee considered the work programme for the 2023/24 municipal year.

Members were informed that the next scheduled meeting of the committee would be utilised for the purposes of developing its work programme for 2024/25. The Chair proposed to follow the same process for how the current work programme was developed which included a process of taking suggestions from members of the committee.

It was reported that the Scrutiny Management Board at its last meeting on 16 April agreed to the committee's request to establish an Inquiry Day to review the changes to the Lancashire Road Safety Partnership.

On the response from the Cabinet Member for Highways and Transport in relation to a report on Road Closures which was considered by the committee at its meeting held on 21 September 2023, a request was made for further information on when the policy on road closures for events and parades would be updated. Further information would be circulated to the committee to confirm the position.

Resolved: That the Environment, Economic Growth and Transport Scrutiny work programme for 2023/24, be noted.

8. Urgent Business

There were no items of urgent business.

9. Date of Next Meeting

The next meeting of the Environment, Economic Growth, and Transport Scrutiny Committee will be held on Thursday 13 June 2024 at 10:30am in Committee Room B – The Diamond Jubilee Room, County Hall, Preston.

H MacAndrew
Director of Law and Governance

County Hall
Preston

