

TITLE	Barkham Solar Farm Update
FOR CONSIDERATION BY	Climate Emergency Overview and Scrutiny Committee on 25 September 2023
WARD	Barkham
LEAD OFFICER	Deputy Chief Executive - Graham Ebers

OUTCOME / BENEFITS TO THE COMMUNITY

The delivery of the Barkham Solar Farm is identified as a key priority of the Council's Climate Emergency Action Plan.

The project will also generate a considerable net income for the Council over 25 years which will be introduced into the Council's annual budget using an equalisation reserve.

RECOMMENDATION

The Committee is requested to note the update on progress on the delivery of the Barkham Solar Farm.

SUMMARY OF REPORT

This report provides an up-date on the delivery of the Barkham Solar Farm. WBC has held very positive discussions with SSEN and National Grid and are, at the time of writing, expecting to receive an updated grid connection offer from SSEN in the near future. Once received, a detailed revised delivery programme for the project can be formulated.

The financial business case for the Barkham Solar Farm was presented to and supported by the Overview and Scrutiny Management Committee on 5th October 2022. At this time, that business case still contains the most recent estimates of costs and revenues.

Subsequently, an update was provided to Climate and Emergency Overview and Scrutiny Committee on 14th March 2023 advising of the appointment of Bouygues Energies and Services (E&S) as the main contractor for the delivery of the solar farm.

Bouygues E&S has initially been appointed on a Pre-construction Services Agreement (PCSA) contract for surveys and design works only. As part of this process Employer Requirements will be formulated into agreed Contractor's Proposals and signed off by both parties. Bouygues E&S will then send each of the packages of works out to subcontractors to price to arrive at the proposed contract sum, using an open book tendering process to ensure 'best value' for the Council. Subject to the Council's satisfaction, recommendation for award of the main Design & Build Contract for the actual construction will follow.

In its decision to approve the Procurement Business Case for the build contractor for the solar farm in June 2022, Executive requested that an up-dated business case reflecting most up-to-date costs and revenue forecasts be reported back into Executive for review, once the contractor procurement process had been completed. Subject to resolving the current grid connection issue, this up-dated business case will be presented back to Executive in due course.

The delivery of the Barkham Solar Farm had previously been progressing on the basis of a formal offer received from SSEN in April 2022 to connect to the grid by 2026. In April 2023, Wokingham Borough Council was advised by SSEN that connection to the Grid could not now be achieved until 2037; due to upgrades required at the transmission level before the project could connect to the grid. The design and survey work for the solar farm project was therefore put on hold pending the resolution of the connection issue.

In the interim period WBC has been engaging with both SSEN and National Grid in tripartite meetings to better understand the situation and seek positive and significant improvements to the connection date. These meetings have been at Chief Executive and Director level. The discussions are on-going, but at the time of writing WBC has received a verbal commitment that the connection date will now be more closely aligned with the original 2026 offer. National Grid have advised that the Barkham solar farm project is one of the projects that will be included in the 10GW additional network capacity recently announced. On the back of this announcement, a formal revised connection date/offer from SSEN is expected in the near future. Once an offer is formally received, a revised delivery programme for the project can be formulated.

In light of the positive nature of the meetings with SSEN and National Grid, initial discussions with Bouygues E&S have commenced regarding re-mobilisation for the survey and design work. Bouygues E&S remain very much committed to the project and, mindful of the on-going discussions regarding the connection date, are keen to work with the WBC Project Team to devise a programme of re-mobilisation that best safeguards the interests of the Council and the project delivery. Within the programme there is approximately 6-9 months work of design and survey work to be undertaken before any construction work can begin.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces unprecedented financial pressures as a result of; the longer term impact of the COVID-19 crisis, Brexit, the war in Ukraine and the general economic climate of rising prices and the increasing cost of debt. It is therefore imperative that Council resources are optimised and are focused on the vulnerable and on its highest priorities.

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	£26.8m	Yes	Capital
Next Financial Year (Year 2)			
Following Financial Year (Year 3)			

Other financial information relevant to the Recommendation/Decision

Future spend will be profiled once SSEN connection offer is received and delivery programme is formalised.

Cross-Council Implications (how does this decision impact on other Council services, including properties and priorities?)

The net income from the Solar Farm will be introduced into the Council's annual budget using an equalisation reserve.

Public Sector Equality Duty

An Equality Impact Assessment has been undertaken. The Initial Impact Assessment did not identify any potentially negative impacts upon persons with protected characteristics.

Climate Emergency – This Council has declared a climate emergency and is committed to playing as full a role as possible – leading by example as well as by exhortation – in achieving a carbon neutral Wokingham Borough by 2030

Generation of renewable energy through investment in solar farms is identified as a key priority under the Climate Emergency Action Plan (CEAP). Barkham Solar Farm is specifically identified therein.

Reasons for considering the report in Part 2

N/A

List of Background Papers

None

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