

Subject: Offshore Wind Farm
Date of Meeting: 23 July 2010
Report of: Director of Strategy & Governance
Contact Officer: Name: Thurstan Crockett Tel: 29-2503
E-mail: Thurstan.crockett@brighton-hove.gov.uk
Key Decision: No
Wards Affected: All

FOR GENERAL RELEASE

1. SUMMARY AND POLICY CONTEXT:

- 1.1 The purpose of this report is to inform members about the successful bid to the Crown Estate for the development of an offshore wind farm near Brighton & Hove.
- 1.2 This will help in meeting the UK's legally binding target of 15% energy generation from renewable sources by 2020.
- 1.8 The delivery of the wind farm has major job creation potential for the area and it is vital to build a long term relationship with E.On at the most senior level. This has been established early to ensure that the council takes the opportunity seriously and helps secure a range of benefits locally.

2. RECOMMENDATIONS:

- 2.1 That the Cabinet Committee instructs and authorises the Chief Executive to lead work by the council to help Eon:
 - Engage with officers across the council and stakeholders across the city to ensure the potential benefits of the scheme are secured locally
 - Establish an office base in the city to support the windfarm development programme
 - Develop a strong community engagement and consultation programme to ensure their plans win strong public support locally
 - Develop strong local supply chains through skills development work with the universities, colleges and employers
 - Rename the windfarm to give it a stronger local identity.

3. RELEVANT BACKGROUND INFORMATION/CHRONOLOGY OF KEY EVENTS:

- 3.1 The leader of the council has made supporting the offshore wind farm and maximising its economic benefit to the city one of her top priorities for 2010.
- 3.2 The windfarm also fits clearly under the first council priority "protect the environment while growing the economy" and ties in well with ambitions for a low

carbon city and one that optimises employment in a growing local environmental industries and services sector.

- 3.3 The Crown Estate (landowners of the UK's marine estate) formally announced the successful bidder for the wind farm zone in January 2010. The local zone was identified after extensive mapping exercises that involved consideration of a whole series of factors including shipping, fishing, wildlife, etc. and commits to engaging more holistically with stakeholders, boosting the supply chains, and will involve more active involvement working with industry.
- 3.4 The Sussex wind farm will be sited in Zone 6, known temporarily as the "Hastings" zone, which is located 8–16 miles off the Sussex Coast and covers a site area of 270.2km² (104.3 square miles). The water depth within the site area ranges from 19m–62m and it is expected that when fully operational the wind farm will generate up to 650 megawatts of electricity. Although the site was initially referred to as the Hastings Zone it is nowhere near Hastings and work is underway locally to come up with a more appropriate name.
- 3.5 The winning developer for the Sussex offshore wind farm is E-on Climate & Renewables. Local offshore energy consultants, Searoc, are acting as advisors and survey work has begun in earnest. All parties have now signed exclusive Zone Development Agreements with The Crown Estate, which has responsibility for renewable energy in UK waters, to take the proposals through the planning and consenting phase. The next stages will involve identifying the exact sites within the zones for locating the wind farms by the developers, who have control over where the site is located.
- 3.6 Initially E.On has been carrying out development work to find out whether permissions and / or consents can be granted within the approved timescale as they see the scheme has the potential for an early delivery and a flagship Round 3 project. They have been working with the council's economic development team to compile a list of key personnel within the city council and key stakeholders in the city who they need to make contact with during the early stages of the development process.
- 3.7 The delivery timetable is set out as follows:

2010-13 Site selection within zone & submission of planning application for site:
Stakeholder engagement
Environmental Impact Scoping;
Baseline surveys including bird survey, mammal survey, geophys, conservation, archaeology;
Pre application discussions – leading up to the submission of a formal application.

2014-16
Financial close;
Formal tendering;
Procurement;
Construction;
Delivery.

The supply chain networks need to be active through all of the above processes

2020 Wind farms installed and operational

- 3.8 In total the whole of Round 3 across the country is expected to create between 50,000 and 70,000 new jobs. There is great potential for the two ports of Newhaven and Shoreham with regards to the offshore wind farm together with wider supply chain networks servicing its development.
- 3.9 The key challenges that have been identified include raising the manufacturing capacity and skills availability for design, manufacture, construction and Operation & Maintenance.
- 3.10 Economic Development Officers attended an offshore wind industry supply chain event at Gatwick on 23 February 2010, organised by SEEDA and EnviroBusiness. This event was planned as a 'marketplace' to enable all those involved in developing the offshore wind sites to do business – creating opportunities for local and regional companies to do business right across the UK. Contact at the conference was made with the Stakeholder Manager from e-on introducing the role and function of the economic development team.
- 3.11 E.On has appointed a Zone 6 liaison officer, Chris Tomlinson, to be the face of their operation locally and work has been going on to investigate a potential location for him and E.On within the city.
- 3.12 The new Government has announced changes to planning which will affect the planning process that E.On would have been seeking permissions through. In the Coalition Agreement, the Government confirmed its commitment to an efficient and democratically accountable fast-track process for major infrastructure projects.
- 3.13 The Government aims to bring forward legislation next year to replace the Infrastructure Planning Commission (IPC), introducing a revised structure within Government, which will put the fairer, faster decision making that national infrastructure planning requires, on a democratic footing. It is not yet clear whether or not this will affect E.On's overall timetable for Zone 6 development.
- 3.14 Both the Crown Estate and E.On presented at the Sustainability Conference (15th-16th April 2010) and E.On took a stand in the conference hall and part sponsored the conference: their presentations were well received. The presentations will be available from the council's website shortly via:
<http://www.brighton-hove.gov.uk/index.cfm?request=c1209854>
Eon also gave a presentation to the City Sustainability Partnership on May 10:
http://www.brighton-hove.gov.uk/downloads/bhcc/Presentation_for_Brighton_Sustainability_Conference_Eon.pdf

4. CONSULTATION

- 4.1 Officers in Economic Development and City Planning and Property Services.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 The Council will facilitate and support the stakeholder through officer support. At present there are no direct financial costs associated with the Council, however, as the project progresses further detailed work will be required to assess the financial impact upon the Council.

Finance Officer Consulted: Rob Allen

Date: 31/03/10

Legal Implications:

- 5.2 The target of sourcing at least 15% of UK energy from renewable sources by 2020 derives from the UK's compliance with the EU Renewable Energy Directive (2009/28/EC), and is at the heart of the government's Renewable Energy Strategy published in 2009.

Lawyer Consulted: Oliver Dixon

Date: 13/07/10

Equalities Implications:

- 5.3 None.

Sustainability Implications:

- 5.4 This is a significant UK renewable energy project that will have a direct impact on reducing CO2 emissions from electricity generation, as well as generate employment.

Crime & Disorder Implications:

- 5.5 None anticipated.

Risk and Opportunity Management Implications:

- 5.6 There are risks to the project if its community engagement programme is unsuccessful and a campaign against the visual impact grows, threatening local support for the scheme, which initially seems strong.
- 5.7 There are some risks relating to the planning process, with changes announced recently.

Corporate / Citywide Implications:

- 5.8 As a major construction and renewable energy project just off the coast near the city, this has significant potential for linked education, tourism and training programmes leading to job opportunities; and also for secondary employment.

6. EVALUATION OF ANY ALTERNATIVE OPTION(S):

- 6.1 The council could in theory choose not to support the scheme or to look to maximise local employment.

7. REASONS FOR REPORT RECOMMENDATIONS

- 7.1 Supporting the offshore windfarm and optimising the economic benefits of it to the city is one of the leader's priorities for 2010.

SUPPORTING DOCUMENTATION

Appendix:

1. Location of Offshore Wind Farm and Process of Development of Offshore Wind Farm

Documents In Members' Rooms

None.

Background Documents

None.

