



TODMORDEN TOWN COUNCIL

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## Report to Full Council

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| <b>Date</b>          | 15 <sup>th</sup> May 2024  |
| <b>Subject</b>       | Bowling Pavilion – Community Energy Scheme   |

### Purpose Of Report

1. To consider a proposal to include the new to be built Bowling Pavilion as part of a Community Energy Hub for Todmorden Community Energy Ltd (TCE), assuming that Solar Panel proposals are accepted as part of the Planning Permission now being sought.
2. To inform Members that such a proposal would result in the Town Council losing the benefit of future energy costs reduction against an initial offset of capital costs from an initial capital contribution for Solar Panel cost to be met by TCE.
3. To advise Members that if they were agreeable to this, then it would be inequitable to seek repayment of total energy costs from proposed building users given the opportunity lost of reducing costs by use of Solar Energy.
4. To ask Members to consider this as a Policy matter rather than just a financial matter given benefit to the Community and future opportunity for other properties to become part of a drive to increase more sustainable energy provision within Todmorden.
5. That if Members supported this proposal, delegated powers be granted to the Chair of Resources Committee in agreement with the Town Clerk to agree terms and enter into any related agreements.

### Background

6. TCE Ltd is a Community Benefit Society registered on 6<sup>th</sup> February 2024 under the Co-operative and Community Benefit Society Act 2014 – Registered Number 9234.
7. A Community Benefit Society (CBS) is a type of legal organisation that's registered with the Financial Conduct Authority (FCA). It is a not-for-profit business model which makes it very attractive to funders who offer grants and set aside land and assets for not-for-profit bodies.

8. TCE Ltd currently has 6 members. They have secured £10k of funding to carry out a feasibility study on a small scale wind turbine project in Todmorden which is underway.
9. TCE are also talking to Yorkshire Water about a possible hydro power scheme at Gorpley Clough.
10. TCE are also currently looking for a reference PV project so that we can showcase reference projects for all three primary renewable energy technologies and the pavilion would be ideal in scale.
11. If the planning application is successful, including solar panel use in a conservation area, the benefit of reducing energy costs would all be for the Town Council, and in turn reduced costs passed onto users under a recharge arrangement.
12. The capital cost of solar is estimated at £20k plus possible battery storage costs up to £10k. At £20/£30k with TCE funding this through grant funds and or a Community Share Offer.
13. Investors in such a share offer would see a modest return on their investments with the idea being to use any surplus to enable further renewable energy projects on community buildings in Todmorden and help the least well off in the town with the transition to zero carbon through subsidised retrofitting.
14. Members may recall that the Town Council has already invested £3k with Calder Valley Community Land Trust.
15. Capital for the Pavilion construction is already provided by Town Deal and external grant funding so there is no financial cost advantage to be gained other than if the capital cost is over budget – not known until tender pricing is submitted.
16. There is however a definite revenue cost long term downside and any future negotiation on this will need to include a “discount” on energy cost for use of the Pavilion as part of the proposed Energy Hub Scheme.
17. The longer- term ambition is to provide lower cost energy for residents of Todmorden through this scheme.

## **Financial**

18. The intention is for both the Bandstand and Pavilion to be fed from one power source but sub-metered.
19. Energy costs have initially been estimated at c£4k (£6k less an allowance for solar reduction of £2k) and if solar is not directly for the benefit of The Town Council, then arguably it would be difficult to apportion costs back to the user groups - the opportunity to benefit from reduced costs having been removed.
20. Capital for the Pavilion construction is already provided by Town Deal and external grant funding so there is no financial cost advantage to be gained other than if the capital cost is over budget – not known until tender pricing is submitted.

21. There is however a definite revenue cost downside and any future negotiation on this will need to include a “discount” on energy cost for use of the Pavilion as part of the proposed Energy Hub Scheme.

### **Recommendation**

22. That Full Council considers whether to allow the Pavilion to be used as part of the Todmorden Community Energy scheme.
23. That if wishing to do so delegated powers be given to the Chair of Resources Committee in agreement with the Town Clerk to negotiate the extent of capital contribution, energy discount and enter onto such agreements on behalf of the Town Council.
24. That ahead of such an agreement a “due diligence” exercise is carried to understand more fully:-
- Participants in the Scheme
  - Membership and Governance of the Community Benefit Society
  - Confirmation that there is no personal gain from any individual or business from participation in and or use of the Pavilion
  - Transparency regarding the financial benefits gained from Pavilion Solar Panel use.
  - Future maintenance/replacement obligations associated with provision of Solar Panels by TCE

### **Reasons For Recommendation**

25. Full Council approval is required to enter into such a scheme and extend delegated powers

### **Policy Implications:**

26. A decision to support would recognise both the Climate Committees drive for Climate Change. As well as the Draft Neighbourhood Plan Policy – CCR4 Community Energy Schemes.

### **Details Of Consultation:**

27. None

### **Climate Change:**

28. Support this initiative would help deliver climate change

### **Impact Equality Assessment**

29. None arising out of this report

### **Supporting Papers:**

30. None

**Further Information, Please Contact: Colin Hill**