

Overview

Cambridgeshire County Council (CCC), under an EU-funded scheme, has used the National Re:fit Programme to make guaranteed energy-efficiency savings and improve the condition of its schools and corporate buildings across the county.

The Council secured £20 million of investment for energy-saving retrofits and renewable energy to schools, council land and buildings. The improvements will pay for themselves through the energy savings made. Cambridgeshire County Council in partnership with Bouygues Energies Services, sets out to lead by example to increase energy efficiency, reduce CO₂ emissions and improve the condition of its buildings.

The Council commissioned Local Partnerships in May 2014 to develop an energy performance contracting programme to provide guaranteed energy savings. Following analysis carried out for CCC by the National Re:fit team, a mini-competition was run and service provider Bouygues appointed in early August 2014.

As part of this project's scope, the Council included the delivery of a 12MW large-scale solar park in Soham, northeast of Cambridge. This project is being supported by the council's successful bid in the Department of Energy and Climate Change's Contracts for Difference (CfD) renewable auction, which has preset financial terms for the energy generated. The Council was the only local authority to be successful under CfD. It is only one of two solar farms to be supported via CfD.

In 2014, work progressed in areas such as land identification, planning permission and securing a grid connection. However, significant effort was also needed to resolve post-auction actions and meet the timescales of the strike-price guarantee. Re:fit has been used to quickly and successfully procure the solar park.

The use of Re:fit has resulted in a project that has guaranteed performance levels while still being comfortably under market rates for large-scale solar parks where no such guarantee is provided. Combined with the guaranteed strike price for energy generated and the capped installation and maintenance service charge, it means that the Council has guaranteed revenue income each year from the project of around £1,000,000 and extra energy output to further boost returns.

This means that the Council will have an extremely valuable asset due to the secure income stream and guaranteed positive business case that will enable **a total net return of more than £10 million.**

Project:	Cambridgeshire County Council's Solar Park		
Benefits:	£1,000,000 annual gross benefit including income generation per annum Total net cash flow of more than £10 million	135,170 tonnes of CO ₂ cumulative over 25 years Simple payback of 11.1 years 11,000 MWh generated per annum	
Timescale:	The build took 16 weeks and the solar farm began feeding electricity to the grid in December 2016.		
Statistics:	206 rows or panels across 70 acres Over 45,000 panels connected by over 430,000 m of cabling Eight nationalities on the installation team		

Summary of the support provided to help deliver this project

To help this project move forward, a review was conducted on all the commercial aspects (robust performance contracting and ensuring that value for money was achieved with this long-term project). The review was also supported by specialist technical resources.

The work linked with Savills, the Council's retained agent on this project, and helped clarify key issues that needed to be considered to progress the project to completion by 2017.

The Local Partnerships' support covered the following commercial and technical areas:

- review of Bouygues' Investment Grade Proposals with a line-by-line cost assessment to secure and demonstrate highly competitive pricing
- negotiation support with the client and capturing future reductions in PV panel prices
- advice on the call-off contracts, including open-book pricing and robust terms
- development and enhancement of specific terms, for example, future-pricing approaches, dependencies, warranties
- solar generation anticipated performance check using PVGIS
- technology analysis – panels and inverters
- checking the measurement approach for key deliverables of the business case.

The support also helped resolve the following potential issues:

- meeting timescales that were extremely challenging given wider project pressures
- ensuring performance guarantees and the business case weren't undermined by performance-measurement methods or stated degradation of generation output
- ensuring the ability to outsource future maintenance of the solar park, while also providing the ability to insource or change maintenance provider without impacting the performance guarantee.

"When I talk to our communities they are rightly keen that we spend our money wisely and by finding a way to create income, these extra millions can be spent on much used frontline services. This County Council project is a great investment as it means we are producing renewable energy and income while reducing the need to either make cuts or ask our residents to make up through taxes. But this is just one example of what we are doing at to make the best use of our assets."
Cllr Steve Count, Council leader of Cambridgeshire County Council

Energy efficiency and financial savings through Re:fit

Re:fit is a procurement framework and support service available to all public sector organisations in the UK. Since 2009 it has been helping organisations to deliver "spend-to-save" environmental retrofit projects that both improve their buildings and, importantly, make substantial guaranteed financial savings.

For further information

For more information on Cambridgeshire County Council's energy investment work, contact Sheryl French at Sheryl.french@cambridgeshire.gov.uk or phone at 01223 728552. For more information on the National Re:fit Programme, contact robert.mckinnon@local.gov.uk or phone 07920 702 297.