

Bath & North East Somerset Council		
MEETING	Corporate Policy Development & Scrutiny Panel	
MEETING DATE	25 March 2025	EXECUTIVE FORWARD PLAN REFERENCE:
TITLE:	Corporate Estate update	
WARD:	All	
AN OPEN PUBLIC ITEM		
<p>List of attachments to this report: None</p> <p>Please list all the appendices here, clearly indicating any which are exempt and the reasons for exemption</p>		

1 THE ISSUE

The Corporate PDS members requested in November 2024 that an update is scheduled for Spring 2025 to cover:

- a) Corporate Landlord Smarter Structure update and the progress on implementing the ‘to be’ design.
- b) Corporate Estate performance in terms of utilities operating costs and initiatives that have been taken forward to decarbonise the Corporate Estate.

2 RECOMMENDATION

The Panel is asked to note and provide feedback in respect of the contents of this report.

3 THE REPORT

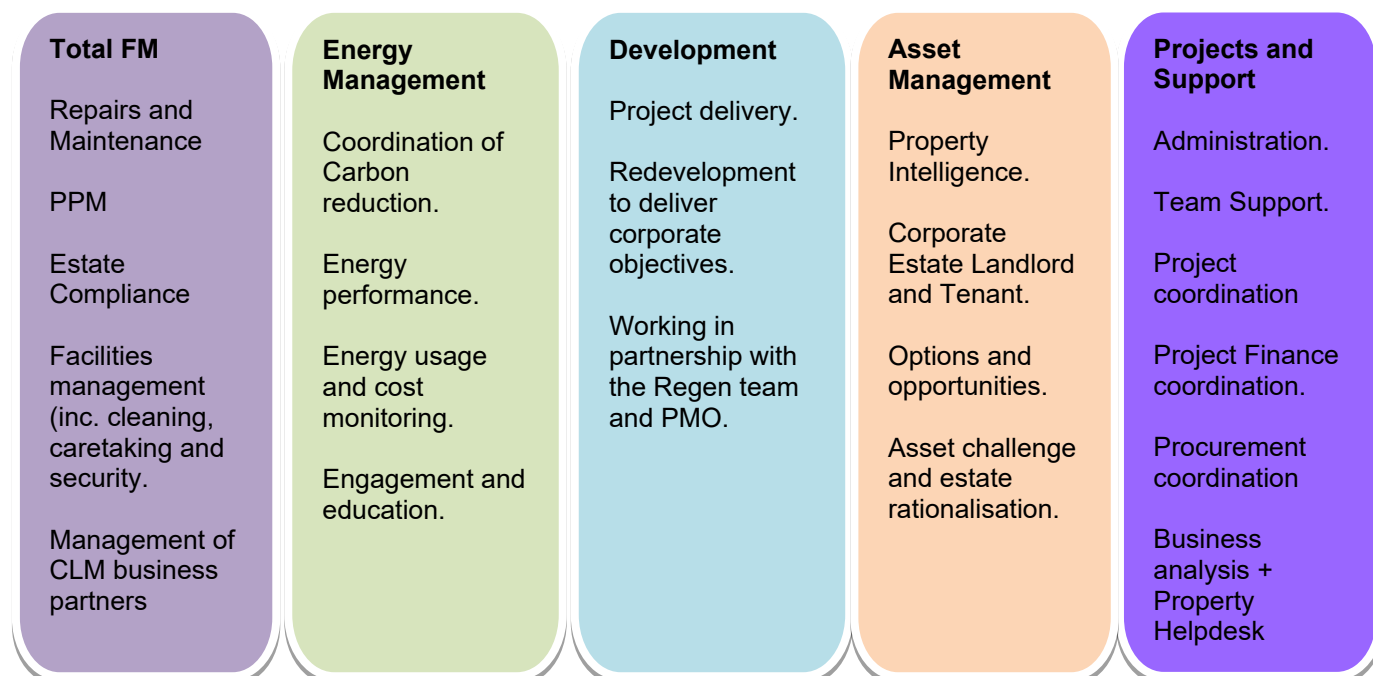
Smarter Structure update

Following the briefing to the PDS Chair and Vice Chair in January 2024, The Corporate Estate service has been redesigned to support delivery of the Council’s Corporate Landlord whilst integrating the wider organisational principles of the Being Our Best (BoB) programme.

The functional pillars of the smarter structure are set out below, incorporating existing teams into 5 pillars. The pillars represent functional activity across 4 areas from Total FM to Asset Management, assisted by a Projects and Support

function. The Development function incorporates the Enterprise Zone programme into the Corporate Estate service.

The smarter structure has been costed and budget provision made for initial recruitment to be commenced on approval from the BoB Programme Board. Approval is anticipated in April 2025.



Recruitment will begin from April to support an incremental implementation of the Corporate Landlord to align with system and process delivery during 2025.

Utilities

The Council entered into a West Mercia Energy (WME) contract in October 2023 for all corporate electricity and gas. WME is established as a Local Purchasing Organisation jointly owned by four local authorities: Shropshire Council, Telford & Wrekin Council, Herefordshire Council and Worcestershire Council. WME reports to a Joint Committee with representation from the four owning authorities.

Since some early issues with the electricity supplier (Npower) at the beginning of the contract, there have been no major challenges and WME have performed well. There is a modest increase in some of the contract administration, but it should be stressed the increase is only very slight in relative terms.

For reporting purposes the SystemsLink database is used, providing legacy data for electricity, gas and water back to at least 2006; collecting half hourly consumption data typically on a day+1 basis for a number of years. This enables the team to report to a high degree of granularity.

In recent years there has been volatility in the market however the Council secured a strong financial position with WME, partly because the market had dropped after the energy crisis. It is worthy of note that whilst the Council had an extremely good run with SSE from 2008/9, in the last 18 -24 months their offer had become very limited to the point where the contract arrangements the Council

previously benefitted from are no longer available. In that respect the move to WME was made at the right time.

Decarbonisation

Background

To be a Net Zero Council by 2030 means achieving 90% real reduction of carbon dioxide emissions with a maximum of 10% offset. To meet this, the Council needs to electrify its fleet; remove gas as a heating fuel from the Corporate Estate, optimise buildings and energy use to reduce consumption; and generate its own renewable energy where possible.

The Council's Scope 1 & 2 emissions relate to emissions from buildings where the Council pays the fuel bills (referred to in this paper as the "Corporate Estate" or "CE"). The Council's Commercial Estate and housing are not in scope for the CE programme. Separate work to decarbonise these service areas is ongoing.

£4 million of Corporate Supported Borrowing has been allocated over the next 4 years to facilitate decarbonisation of the Corporate Estate buildings, to support the Council's target to be Net Zero in its own operations (scope 1 and 2) by 2030.

Progress to date

The Renewable Energy Development Fund Programme was set up in 2021 and provides an allocation of £500k per annum Service Supported Borrowing (SSB) for renewables and energy saving and is overseen by the Renewable Energy Programme Manager.

To date there has been no equivalent fund to support the transition away from gas heating, however a number of building decarbonisation projects have been undertaken ad-hoc by the Energy Transformation Team, by securing external funding via the Salix Public Sector Decarbonisation Fund (3 x residential care homes) and by other teams for council funded capital projects including the Roman Baths Energy Capture and solar panels at Keynsham Recycling Centre.

Additionally, a £25k grant from the South West Net Zero Hub enabled the Council to employ a technical expert for 12 months to assess decarbonisation potential across the CE; develop Heat Decarbonisation Plans; commission technical work relating to a potential hydro scheme; input into tender briefs; and support two further successful Salix PSDF bids for Keynsham Civic Centre and Carrswood Day Centre.

The positive announcement of £4m to support Corporate Estate Decarbonisation enables the Council to create a CE Decarbonisation Programme.

Proposed work packages within the CE Decarbonisation Programme

1. Data

Data management and active building management using the existing BMS are not yet utilised in a way that can maximise carbon and cost savings across the estate. There are software options available that interrogate data generated by the BMS to create actionable insights – in effect bringing active building management into one central portal where automatic commands can be set up and data visualisations provided. This could greatly improve energy

management, efficiency of the buildings and reduce carbon dioxide emissions. It is proposed to accelerate this activity in Year 1.

2. *Building decarbonisation pipeline*

A corporate renewables and corporate building decarbonisation pipeline programme is being developed, that prioritises delivery according to funding application suitability; carbon dioxide emissions ranking; and suitability (for solar PV). Initial analysis indicates the pipeline programme could deliver heat pumps across the Corporate Estate, and up to circa 2.0MW of renewable energy, subject to further survey and feasibility work. The pipeline delivery will be funded through a combination of mechanisms.

3. *Pulteney Gate Hydro*

A pre-feasibility study has been completed for a hydropower project to replace the radial gate at Pulteney Weir. Subject to a full feasibility assessment the project may be able to provide power to the Guildhall, Pump Room and Bath Sports Centre, to significantly reduce the cost of running heat pumps in these energy intensive buildings.

4. *Tariffs*

As export capacity is increased there are opportunities to negotiate new tariffs that consider the assets of the estate collectively to enable reduced costs and incentivise greater generation capacity. This will become more important as we electrify heating and shift to greater overnight electricity use for electric vehicle charging.

4 STATUTORY CONSIDERATIONS

The Corporate Estate is held under the powers of the Local Government Act 1972. All decisions in respect of the corporate assets are taken in accordance with the provisions of this Act.

5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

None based on this update report. Individual projects and programmes reported are captured through the Councils 2025/26 budget.

6 RISK MANAGEMENT

A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

7 EQUALITIES

No adverse impacts in relation to an EIA have been identified as a direct result of this update report. EIAs will be undertaken where required for projects or programmes of activity.

8 CLIMATE CHANGE

The decarbonisation of Corporate Estate assets where reported will directly benefit the Councils journey to Net Zero by 2030.

9 OTHER OPTIONS CONSIDERED

None for this update report.

10 CONSULTATION

None for this update report. Separate consultations have taken place for each element of the report.

Contact person	Richard Holden, Head of Corporate Estate & Development
Background papers	
Please contact the report author if you need to access this report in an alternative format	