

Environment Scrutiny Commission

MINUTES of the OPEN section of the Environment Scrutiny Commission held on Tuesday 8 February 2022 at 7.00 pm at Ground Floor Meeting Room G02A - 160 Tooley Street, London SE1 2QH

PRESENT: Councillor Margy Newens (Chair)
Jon Bootland
Councillor Adele Morris
Councillor James Coldwell
Councillor Tom Flynn
Councillor Leo Pollak
Councillor Leanne Werner

**OTHER MEMBERS
PRESENT:**

OFFICER Paul Newman, Team Leader - Environmental Protection Team.
SUPPORT: Julie Timbrell, Project Manager - Scrutiny

1. APOLOGIES

There were none.

2. NOTIFICATION OF ANY ITEMS OF BUSINESS WHICH THE CHAIR DEEMS URGENT

There were none.

3. DISCLOSURE OF INTERESTS AND DISPENSATION

Jon Bootland declared that he works with RAFT .

4. MINUTES

The summary minutes for the meeting held on 29 November 2021 were noted. The

full minutes will come to the following meeting to be agreed.

5. SOUTH EAST LONDON COMBINED HEAT AND POWER (SELCHP)

SELCHP representatives Neil Brothers (Head of ERF Operations) and Thomas Folliard (General Manager - SELCHP Energy Recovery Facility) provided a presentation, enclosed with the minutes

The chair then invited the following Environment Agency officers to comment on emission performance: John Tollervey, Regulatory Officer EPR Compliance, EPR Installations: Kent, South London and East Sussex and Paul Bennett, Installations Team Leader, Kent South London and East Sussex.

The Environment Officers advised that SELCHP is a good performer. There has been one minor breach last year. SELCHP is rated as B. Members asked what would it take for SELCHP to be an A rated performer and Environment Agency officers said that there is a point system. A minor breach adds points preventing an A grade. This could be a small issue such as a late submission. There is also continual monitoring of emissions and there was one breach for VOCs, which was marginally over permitted levels, however the impact assessment said there was no impact. In a previous year there was a loss of data for a few days and that did require remedial work to prevent a reoccurrence including retraining of staff. There is process to monitor and assess problems and identify actions and SELCHP are very good at following through on remedial actions.

Members asked about the spread of performance across the country. Environment Agency officers that there is a spread. A & B is the expected level, whereas with C or D there is more to do on performance. Most incinerators are performing at B or C as incinerators are large and complex; SELCHP's B rating is pretty good.

A member commented that some time ago Greenpeace occupied an incinerator over emissions, particularly re dioxin. The SELCHP representative that that there have been technology improvements on emissions, and on dioxin in particular. Public Health England's evaluation was incinerators have negligible impact on Air Quality. The current dioxin output is sufficiently low that it does not require monitoring or further measures.

Environment Agency will be payed a subsistence fee to enable audit or non-compliance audits. This not a fine, but will incinerators have to pay for extra activity.

Paul Newman, Team Leader - Environmental Protection Team, Southwark Council, was asked to for advice on emissions from SELCHP and commented there are 8 grams per minute emitted, but gas would also have emissions.

Members asked about present costs to Southwark residents in estates using the SELCHP network. Southwark bulk buys energy which go to communal District

Heat Networks. SELCHP could not give a price comparison with gas but said it would be comparable, noting that there is a requirement that heat networks not to be more expensive. Members asked to what degree the price is pegged to world energy prices. SELCHP said that the heat price is not impacted directly by volatility, rather it is linked to RPI so not subject to risks of the energy market.

Members asked how the second phase of District Heat Networks would be built and if there would be disruption that will that entail biodiversity loss. SELCHP representative said that the plan is to follow the route of roads and pathways; so not predominantly going through parks and green spaces. This will be temporary disruption and this will be managed. The impact to biodiversity would be minimal.

SELCHP were asked if this is the greenest option for an energy network and the representatives responded that there are differing views on this, however the heat is already generated so the energy is ready to be extracted and so it would be a green use as it is efficient to use this availability rather than sources such as gas. They explained that this is still presently in development so looking at planning and risks. Once this is completed then Southwark would be able to make a decision.

Members asked where municipal waste would go if not SELCHP and the SELCHP representatives responded that waste would probably either go to another incinerator or landfill, and there is lots of studies that show energy recovery is better for the environment than landfill.

A member commented that he is excited by SELCHP as it is a bold civil engineering project, and that the expansion of the District Heat Networks offers an opportunity to provide heating to council homes. He asked about the time frame and if there will be enough capacity for council homes, private development and houses in the wider community. SELCHP said the council needs to retrofit council homes to receive the District Heating Network from SELCHP. Presently the council and SELCHP are in the commercialisation phase. If this progresses well then construction could take place at the back end of this year. It will take 2 to 3 years complete, but there could be some energy available in 1 to 2 years.

SELCHP would like to see full utilisation of the heat available. There are other projects in the pipeline, including the completed connection to the Biscuit Factory. There is a limitation on the amount of heat available but SELCHP is a few years away from that, and there is some possible room to expand.

Members asked if distance is a limiting factor and SELCHP explained that there can be quite long up pipes, up to hundreds of kilometres in Europe as this is hot water under pressure. Presently the network is only 2 miles.

SELCHP was asked about incineration efficiency, commenting that Gas is supposed to be 80% efficient, however the SELCHP presentation spoke of 20% efficiency rising to above 40%. SELCHP responded that Gas energy efficiency is higher, however the carbon exists anyway in waste.

Members commented that for old buildings that cannot be retrofitted it seems to make sense in terms of carbon savings to connect to the SELCHP District Heating Network, but new buildings ought to use heat pumps and electricity and a connection to SELCHP makes less sense. The hierarchy in use ought to be old estates, rather than new estates. However, planning applications reference connection to heat networks and this is encouraged. There is an assessment that includes connection to a heat network - and often would include a recommendation to connect.

Members asked SELCHP how practical it is to connect to properties such as Victorian terraces. SELCHP said it is not usually economically viable to connect an individual property, rather it tends to be viable to connect to an old or new estate where it is viable, or a swimming pool, or an office development, such as the Biscuit Factory.

6. RAFT

Harry Paticas, founder and managing director of RAFT, Retrofit Action for Tomorrow, gave a presentation. The chair then invited questions and the following points were made:

- Around £300,000 was spent to retrofit each school RAFT worked on in Lewisham, utilising the Public Sector Decarbonisation Fund. On average this reduced carbon by 75%.
- There is capacity to deliver further work in Southwark, as RAFT has a dedicated team of trained staff and schools have been chosen as a good place to start with scaling up retrofit; RAFT's longer term aim.
- Children bring enthusiasm for retrofit and climate action home; a parent rang up and told RAFT staff that they had talking about retrofit over dinner with a pupil of a school being retrofitted. RAFT also attend staff meetings, and there are plans for a parent retrofitting day. There is a celebratory 'turn off the gas' and 'turn on the Air Source Pump' event at schools.
- RAFT also look at improving Air Quality and Scope 3 carbon emissions when they work in schools - for example adopting low carbon cleaning materials.
- There is a massive skills shortage to retrofit as many buildings as possible, and RAFT receive lots of enquiries from households. A key demographic to encourage to go into retrofit professions are young women who are under-represented. There is a national retrofit training programme with various

types of qualifications. There are also people with construction skills and jobs already who have a drive and appetite for qualifying in retrofit. A dedicated training centre in Southwark would be a good idea.

- RAFT is also linked to the Passivhaus Trust and trained in delivering to this standard.
- The approach RAFT would favour in Southwark schools would be to do 5- 7 exemplar schools, of various building types, alongside setting up networks and hubs. In order to assist retrofit of schools RAFT said it would be useful to understand the borough's carbon reduction scheme for schools and the capital programme, as having an overview of the school estate and would enable the appropriate selection of schools.
- RAFT is a Community Interest Company (CIC).

7. IRT SURVEYS

Stewart Little, CEO of IRT Surveys Ltd, attended virtually and gave a presentation. The chair then invited questions and the following points were made:

- IRT Survey costumers are mainly Local Authorities and Housing Associations. The CEO said that there are not a lot of owner occupiers engaged with IRT Surveys, yet.
- Around 90 landlords are using IRT Survey's DREam platform.
- The challenges include data; IRT Surveys need to find clients open minded enough to trawl through several data sets.
- There is also the challenge of accessing homes as this requires tenants' engagement and agreement to enter and complete the retrofit assessment; about half the occupiers have engaged. A green rental agreement is utilised, which is between tenants and landlords.
- IRT Surveys can source finding from grants and from special purpose low interest funds. The CEO emphasised that money is not an obstacle explaining that there is a lot of capital available to invest in the social sector for a low patient return. There is also funding from government and energy companies based on factors such as deprivation, some with challenging timelines and process to deliver. IRT Surveys can locate opportunities.
- A phone application, HEERO, a sister project, is due to be launched shortly, which will assist in analysis of households beginning the retrofit journey. HEERO is for download and helps pull people in.

- There is a massive skills shortage – which the Retrofit Academy is helping to address.

8. WORK PROGRAMME

The Commission discussed the Energy review and identified the following emerging themes and recommendations for the report:

- The planned expansion of the District Heating Network could be better orientated at recipients other than new developments, which can be made to be very energy efficient.
- The 'Fabric First' approach has been emphasised by all the experts, and that the fitting of energy demand measures, such as insulation, ought to take place before renewables or low carbon heating is added, such as Districting Heating Networks.