# OWING TO THE URGENCY OF THIS DECISION BOTH

# THE PRE-DECISION NOTIFICATION TIME AND CALL IN HAVE BEEN DISAPPLIED



# Delegated decision report

02/20

## DECISION UNDER DELEGATED POWERS

DECISION WILL NOT BE TAKEN BEFORE MONDAY 30 MARCH 2020

Title LOAN INVESTMENT IN PERPETUUS TIDAL ENERGY CENTRE (PTEC)

Report to CABINET MEMBER FOR RESOURCES & CABINET MEMBER FOR REGENERATION & BUSINESS DEVELOPMENT

The Call in procedure has been disapplied due to the need for urgency in decision-making resulting from the time-limited offer of grant funding. This requires a decision by the end of March 2020.

#### EXECUTIVE SUMMARY

- 1. The Isle of Wight Council has declared a climate emergency and agreed to an aspiration of the Island being net carbon neutral by 2030. Supporting the production of renewable energy will make a significant contribution to the achievement of this aspiration. The council is invested in a project to convert tidal stream energy to electricity, sufficient to provide carbon free power to a quarter of Island homes, and at the same time produce significant economic benefits for the Isle of Wight.
- 2. Only a change of Government policy in 2017 prevented the Perpetuus Tidal Energy Centre (PTEC) from being developed; it had all of the necessary leases, licences and supplier support in place for the project to proceed at that time. Unfortunately, the marine leases and licences are time limited and need to be extended if the project is to play a role in the Island's carbon neutral aspirations. The planning permission for the onshore components of the project has lapsed and a new application is necessary.
- 3. The project has just had an offer of financial support to renew its leases and licences from the European Union Tiger project This offer is timely as without further investment to renew its marine leases and licences within the next 12 months, it would need to begin again from first principles, but in all likelihood would not progress at all. The offer is all the more timely as the Government has also just issued a new consultation document on its future support for

renewable energy technologies which, if agreed in its current form, would be to the benefit of the PTEC project.

#### URGENT DECISION

- 4. The Council's decision making process normally requires 28 days' notice where the Council intends to make a key decision. However the decision making process does provide for urgency provisions which can be used where a key decision is so urgent that the decision cannot appear on the forward plan for 28 days. The views of the chairman of the corporate scrutiny committee must be sought and form part of the report together with an explanation as to why the matter is so urgent.
- 5. The constitution also allows, in exceptional circumstances, for the call-in arrangement be disapplied if to do so is necessary to safeguard the interests of the council or of the public. In such a case the reasons for the disapplication will be discussed with chairman of the scrutiny committee and the reasons for disapplying the call in will be explained in the body of the report. Whilst the actual decision cannot be called in the relevant scrutiny committee may ask to consider the circumstances and provide recommendations if they so wish.
- 6. In order to secure the first phase of funding from the Tiger project PTEC has approached the council for a further loan of £244,000; this will lever in £366,000 in EU funding to secure the leases and licences for the future and enable a further phase of work, also attracting Tiger funds, to secure financial close on the scheme. In order to secure the EU funds and effectively keep the project alive, PTEC is required to confirm its match funding is secured and in place by the end of March.
- 7. The potential of this EU funding, its impact on the PTEC project and the change in the Government's position were not clearly known or understood until early in March 2020 and is the reason this decision has not appeared on the forward plan. The requirement to publish on forward plan prior to decision would impact on implementation and the resulting interests of the council and similarly applying normal call in procedures would impact on the necessary timely implementation of the decision.
- 8. The Chair of the Corporate Scrutiny Committee has been consulted and has noted the reasons for the decision not being published on the council's forward plan and for the disapplication of call-in arrangements. The chair recommends that the decision be considered at an urgent meeting of the appropriate policy and scrutiny committee (Neighbourhoods and Regeneration) so that the proposal is properly scrutinised, including for its fit with policy, the financial implications of the options, and that the proposed terms at Appendix 1 are both strong enough and sufficient to protect the council's position. The chair also noted that should the proposed option be taken forward that further commitments in relation to this project would be the subject of full and timely consideration through the council's decision-making and scrutiny processes.

9. The Chair of the Neighbourhoods and Regeneration Policy Scrutiny committee has been consulted and agreed the request and rationale for disapplication of call in procedures with regard to this decision and will be instructing committee officers to include review of the decision as part of the committee forward work programme at the earliest opportunity.

## CONFIDENTIAL / EXEMPT ITEMS

10. Appendix 3 is exempt from disclosure by virtue of paragraph 3 of part 1 of Schedule 12A of the Local Government Act 1972 (as amended) as it, "relates to financial or business affairs of any particular person", (including the authority holding that information). The public interest in maintaining confidentiality outweighs the public interest in disclosing it.

Securing the TIGER funding requires PTEC to create a Special Purpose Vehicle (SPV) with a tidal stream developer, as explained in para 22. The establishment of the SPV is confidential on the grounds of commercial sensitivity as it outlines the commercial agreement between PTEC and the other party. However, it should be noted that this is a well-established company that has undertaken sea trials of its tidal energy device. The funding requirement for the second phase of works is also commercially sensitive because it exposes the future funding arrangements to potential third party buyers.

#### BACKGROUND

11. The Perpetuus Tidal Energy Centre (PTEC) is a 30MW tidal energy generation project located 2.5km south of St. Catherine's Point. It has characteristics which are consistent with the council's Regeneration Strategy, namely:

#### Business development

- A world class facility that will reinforce the UK's position as a world leader in marine renewables;
- Demonstration and commercialisation of tidal stream devices and technologies;
- Job creation during construction of at least 114 FTE direct employment and 63 Indirect employment (total 177) in the engineering and marine sectors. Induced job creation could be significantly higher;
- Total investment of approximately £125m (with local economy multiplier of 4.5x);
- Stimulation of a network of supply chain and supporting service industries.

#### Infrastructure

• Generation of safe, clean electricity equivalent to the consumption of one quarter of all Island homes (15,700);

- Predictable power to complement intermittent solar energy and provide greater resilience;
- PTEC became the largest consented tidal stream energy project in England and Wales.

#### Income generation

- Through dividend payments and / or sale of the project
- Through share in offtake agreements and/or berth rental
- 12. PTEC can put the Isle of Wight at the forefront of marine energy. There is interest in the project from leading turbine developers and supply chain companies and from the local community.
- 13. The decision to participate in PTEC was taken by the council's cabinet in March 2013 in order to achieve the economic benefits for the Island outlined above. This followed the council's sponsorship of the project for a number of years, its securing of an Agreement for Lease from The Crown Estate in 2012 and its search for private sector investment partners. The current partners were identified, and a Joint Venture Company was formed with private sector management expertise applied to its operation and the securing of future investment.
- 14. The council has a 15 percent shareholding in PTEC Ltd and has granted a shareholder loan of £1m to the company. Together with a similar loan from the majority shareholder (Perpetuus Energy Limited (PEL), subsequently increased to £1.35m), the funds have been used primarily to secure consents and licences as well as to carry out the front-end engineering and design (FEED) and key project development work. The council's primary objectives in supporting PTEC were to help initiate the project which could then secure private sector funds to help grow the Island's economy and to support its green credentials by promoting local renewable energy generation.
- 15. Whilst the council only owns 15 percent of the company its class of shareholding is non-diluting. The original business plans in 2013 envisaged (as they still do today) further private sector equity funding in order to secure a fully operational facility. New shares issued as part of this external equity investment will dilute the current 80 percent held by the council's joint venture partner PEL whilst maintaining the council's ownership at 15 percent.
- 16. The current consenting status of PTEC is as follows:
  - Agreement for Lease (providing the option for a 25-year lease) issued by The Crown Estate to the Isle of Wight Council in 2012. Renewed under Member's delegated decision in January 2017 and further renewed for the period to April 2021.
  - Marine Licence and section 36 (s36) consent granted by the Marine Management Organisation (MMO) - the s36 consent is due to expire in April 2021 and the marine licence will need to be extended.

- Planning permission consent for project substation and associated infrastructure granted by Isle of Wight Council in 2014. Consent has lapsed and a new application is required.
- Grid connection PTEC will either negotiate an extension of the current grid connection offer to include a payment schedule linked to project milestones and / or an alternative flexible connection or a new connection application will be made, which at this stage is the likely route forward.

If the Crown Estate lease and MMO consents are not extended, then the project will fail and will need to start again from scratch.

- 17. The marine energy sector in all its forms currently requires revenue support from Government in order to enable the first installations and the subsequent journey of cost reduction. It is a model which has helped to mature the market for many new technologies, most recently, the offshore wind sector which has become the cheapest source of power in the UK. Securing a suitable revenue support mechanism for power produced by PTEC would greatly improve the cost benefits of the project and returns on investment more appealing to investors and tidal turbine suppliers.
- 18. PTEC planned to bid into Round 2 of the Contracts for Difference (CfD) in May 2017 to secure a strike price of £305 / MWh (megawatt hour) – the strike price is the pre agreed level of revenue subsidy for the duration of the contract; £305/MWh was the price required at the time in order for the project to reach financial close. However, Government made a late and unexpected decision to remove the minimum allocations for wave and tidal stream energy, meaning that these less established technologies had to compete with more advanced technologies that had received Government support for many years. This was a severe blow to the project which has since been in 'hibernation'. The industry and PTEC has lobbied Government to re-establish support for marine energy in which the UK has been, to date, a global leader.
- 19. A government consultation on Contracts for Difference was published in early March 2020. The consultation proposes changes to the scheme that would apply to contracts awarded through future allocation rounds, the next of which is planned for 2021. In the context of delivering the UK's 2050 net zero emissions targets, there are a number of proposals which could favour tidal stream energy, including the proposal to move offshore wind to a separate funding pot so that emerging technologies, such as tidal stream, are competing with each other for an acceptable strike price, rather than with offshore wind which has already achieved significant cost reduction.
- 20. PTEC is well placed to benefit from such changes should they be approved but it is also pursuing other revenue generation routes such as private wire supply to Island organisations and hydrogen production.
- 21. PTEC has been working to secure funds to take the project forward and has secured a 'time-limited' offer from the EU-funded (and Government-backed) Tiger Project (Tidal Stream Industry Energiser Project), which will enable the

project to (a) reinstate the consents and then, if (a) is successful, to (b) secure financial close Tiger is a  $\in$ 47m, 4 year, Interreg Channel Programme project led by the Offshore Renewable Energy Catapult (UK) which was approved in July 2019. It has 19 UK and French partners and provides funding at an intervention rate of up to 69%. The principal aim of Tiger is to reduce the cost of tidal stream energy production.

- 22. In order to benefit from Tiger Project funding, PTEC has requested a cash investment from the council of £244,000 which will lever £366,000 of funds from the EU Tiger Project. PTEC will need to enter into a joint venture arrangement with a tidal energy device developer to secure the funding. This Special Purpose Vehicle is subject to final commercial agreement to include a due diligence report on the device developer.
- 23. The proposed expenditure of £610,000 will reinstate PTEC to full consent (Phase 2a). An additional sum would still be required to reach financial close (Phase 2b) with the Tiger Project providing approximately 60% of this sum and the balance being provided by the private sector. It is the intention to reinstate project consents by the end of 2020, to reach financial close by the end of 2021 and to begin construction in 2022.
- 24. If agreed, the further council loan investment of £244,000 in PTEC will be paid in stages and subject to the achievement of satisfactory milestones. The proposed loan investment will also be subject to a formal council decision on the conditions set out in appendix 1.

#### STRATEGIC CONTEXT

- 25. The council's Corporate Plan 2019-22 has 11 key objectives based on growth, regeneration, opportunity and well-being. The main objectives relating to this decision are:
  - a) Business has the confidence to invest
  - b) A financially balanced and sustainable council
- 26. The proposed development will create jobs and training opportunities, encourage inward investment and provide diversification opportunities for local businesses. It will help the sector drive down the costs of producing tidal stream energy. Where possible, PTEC will source materials and services locally, utilising the extensive marine and engineering related supply chain on the Island and around the Solent. Evidence from other tidal energy projects suggests that PTEC could create hundreds of high-skilled jobs and training opportunities and attract significant investment into the local economy. Opportunities for local businesses will be generated during both the construction and operational stages of the project.
- 27. Delegates at the council-organised Environmental Conference in June 2018 recommended that PTEC be reinvigorated and this was formalised in the council's 2019 Environmental Action Plan (see appendix 2).

28. In July 2019 the council declared a Climate Emergency with the aim of making the Island net zero carbon by 2030. This is an extremely ambitious target which will be assisted by local renewable generation. At 30 megawatts (MW), PTEC will provide clean energy to some 15,700 homes and reduce carbon emissions by 9,000 tonnes of CO2 per year.

#### **CONSULTATION**

29. Due to the commercial sensitivity of the project, discussions have been restricted to those directed involved, as outlined in paras 21 and 22. The proposal has been discussed by the Leader, Deputy Leader, Cabinet Member for Regeneration and Business Development and representatives of PTEC.

#### FINANCIAL / BUDGET IMPLICATIONS

- 30. The investment would be in the form of a stakeholder loan, attracting interest at 1% above the Bank of England base rate and repayable, subject to funds being available, as soon as there is sufficient free cash or after 5 years, whichever is the earlier. Under the existing Subscription and Shareholders agreement, the council's shareholder loan is repaid first, prior to repayment of other shareholder loans.
- 31. The further council investment of £244,000 is intended to protect the council's initial investment of £1m and increase PTEC's value by enabling the project to develop towards financial close and implementation. It will provide a route to revenue generation and/or increased valuation of the project, providing a return on the council's total investment
- 32. It will also help to secure, through project implementation, the necessary extensions to the Marine Licence, s36 consent and Crown Estate lease, of which the latter two expire in April 2021.
- 33. The investment will enable PTEC to participate in Project Tiger, an EU-funded project, which has allocated sufficient funds for the further development of PTEC to project close via a project partner.
- 34. The funding will be allocated from the council's existing provision for supporting regeneration projects.
- 35. It should be noted that, in addition to the two shareholders' original investments of £1m each, Perpetuus Energy Limited has made an additional loan of £351,000 to keep the company operating.

#### CARBON EMISSIONS

36. The investment will not directly impact the council's Carbon Management Plan. Once operational, PTEC will have a significant positive impact on the Island's carbon emissions by providing clean electricity equivalent to the consumption of some 15,700 households. This will result in carbon dioxide savings of 9,000 tCO2 per annum.

#### LEGAL IMPLICATIONS

37. Section 2 of the Local Government Act 2000 provides the council with the power to do anything which it considers will improve the overall economic, social and environmental wellbeing of the area. It is felt that PTEC helps to improve the economic well-being of the Island whilst providing environmental benefits through the generation of clean energy.

#### EQUALITY AND DIVERSITY

- 38. The council as a public body is required to meet its statutory obligations under the Equality Act 2010 to have due regard to eliminate unlawful discrimination, promote equal opportunities between people from different groups and to foster good relations between people who share a protected characteristic and people who do not share it. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 39. None of the protected groups will be adversely affected by the project which has the potential to improve the overall economic wellbeing of the Island.

#### PROPERTY IMPLICATIONS

40. There is likely to be the need for an easement across Isle of Wight Council owned land at Flowers Brook in order for the undersea cables to be connected from the foreshore to the potential site of a project substation. The details and nature of the easement will be a matter for separate agreement between PTEC and the Isle of Wight Council in its role as landowner.

#### **OPTIONS**

- 41. The options available to the council are as follows:
  - **Option A** to make a further loan investment of £244,000 in PTEC subject to the conditions set out in appendix 1.
  - **Option B** to make a further loan investment of £244,000 subject to the conditions set out in appendix 1, only once confirmation from PTEC that the full funding to achieve financial close is secured.
  - **Option C** do nothing and not make any further investment in PTEC at this time.

#### RISK MANAGEMENT

42. There is a major risk that if the council does not make this investment, the project will end by default and so will never secure the economic and

environmental benefits expected from the council's initial investment. This will also mean that the council will not recover its £1m investment in the project. This could be mitigated by further private sector investment to secure the marine leases and licences but no such investment has been forthcoming since the time the company was put into hibernation in 2017, following the Government's change in approach to the Contract for Difference.

- 43. The global concerns about climate change have become increasingly well articulated in the time since PTEC was put into hibernation. These concerns have manifested themselves in the Government bringing the UK's target for net zero carbon emissions forward to 2050 and the council itself has formally declared an aim for the Island to be net zero carbon by 2030. Therefore, there is a likely risk that the public will begin to question why the council is not seeking to drive the PTEC project to a financial close and operation on the basis of the environmental benefits it will deliver. There is a counter risk of the potential for public objection to the project due to the possibility of surface piercing structures visible from land. To mitigate this risk, the council has attached a condition to the further loan investment that no surface piercing structures above 3m are allowed without unanimous approval of the PTEC Board, of which the council is a member.
- 44. Risks related to the commercialisation of PTEC remain given that Government has still not identified a realistic revenue support mechanism for tidal stream energy although the announcement of its recent consultation in this regard is a possible mitigating factor. However, alternative routes to markets are still possible including the potential for Power Purchase Agreements with large Island consumers through private wire and the installation of conversion technologies, such as hydrogen production, to provide alternative revenue streams. Should PTEC fail to bring either of these markets to fruition, the early production of clean energy could be at a financial loss, until the economies of scale reduce the cost of energy production. The Government's recent consultation on Contracts for Difference (CfD) indicates that tidal stream energy may be able to compete with other emerging technologies on a more equitable basis for long-term subsidies.
- 45. There are third party risks relating to the further development of the project; a new consent for the onshore substation, an extension of the marine licence and associated section 36 consent and the agreement from The Crown Estate to extend the Agreement for Lease of the seabed, cannot be taken for granted. A new grid connection agreement will also need to be negotiated as well as a landowner agreement for the siting of the substation. However, the scheme previously achieved full consents for all of these issues and there have been ongoing discussions with all relevant stakeholders such that they are aware of the project's current situation and potential need for extensions.
- 46. There is a risk that the project will not be able to progress beyond Phase 2a which is being part-funded by the council loan investment. Phase 2b is the subsequent preparation for the construction of the PTEC project up to financial close and requires a significant private investment which is still to be

secured. PTEC intends to seek external investment to support Phase 2b, although this could also come from UK national grant support, the Solent LEP or debt funding. Achieving financial close at the end of Phase 2b results in the investment necessary to build the site and deliver renewable tidal energy to the Island.

- 47. Funding through the Tiger Project incorporates 'incurred and defrayed' payment conditions which means that grant payments are made in arrears. PTEC will need to secure sufficient cashflow to fund Phases 2a and 2b in full.
- 48. Longer term, the tidal energy platform developed by the project partner for the SPV has not yet been constructed at scale or grid connected. However, the turbines used in the system are widely considered to be the most tried and tested and reliable turbines on the market and other infrastructure used by the platform is well known.
- 49. Financial risks arising from the investment will be mitigated through a set of conditions, as set out in appendix 1, although it is possible the council may not recover its additional or the original loan investment. Without the extensions to the marine leases and licences there would be little opportunity for the council to recover these investments at all.

## **EVALUATION**

- 50. A further loan investment in PTEC at this stage will allow the project to secure EU funding (guaranteed by the UK Treasury) and to move in a timely manner to extending the current key consents for the marine leases and licences. This is the first stage of a phased approach which will move the project to financial close in late 2021 and construction towards the end of 2022.
- 51. Once constructed, PTEC will deliver a transformational, world leading, 30MW commercial demonstration project through its long-term operation and commercialisation of multiple tidal technologies. This will create a new clean industry on the Island with potentially 450 direct and indirect UK jobs (predominantly in the maritime and energy sectors, 40% of which is estimated to be in the Solent<sup>1</sup>) and a project investment of £125m. It will increase the local supply of clean energy and offer a more predictable supply to the National Grid. Further, when electricity demand is low or if there is sufficient demand as part of PTEC's energy production, it could be used to produce hydrogen to fuel local transport and ferries as they shift to carbon free fuels, as has been demonstrated on the Orkney Islands.
- 52. PTEC's carbon free energy production will support the council's Climate Emergency declaration and ambition for the Island to be zero carbon by 2030. There are risks associated with an additional loan investment, particularly the long-term viability of the project without a guaranteed generation subsidy, but the potential offered by the EU funds allows the project to explore new ways

<sup>&</sup>lt;sup>1</sup> Basis of calculation: reference to industry reports and PTEC internal analysis, including extrapolation of evidence from other operational facilities (namely European Marine Energy Centre and Orkney)

of revenue generation, if the outcomes of the Government's consultation on subsidies for tidal technologies does not fall to the benefit of PTEC. The project does provide the opportunity for the Isle of Wight to be at the forefront of developing a new industry, providing economic and environmental benefits as have been demonstrated by the solar and offshore wind industries. The further loan investment will help secure the council's initial £1 million investment and the environmental and economic outcomes that were the reason for the council's sponsorship of PTEC in the first place.

- 53. The council could decide to delay its investment until a later date, perhaps once funding for Phase 2b has been secured. However, the re-consenting process, including extensions of the Marine Licence and Agreement for Lease, is expected to take 12 months. As both of these expire in April 2021, a decision has to be made by April 2020 in order to meet the re-consenting deadlines. Delay might also impact on the availability of match funding of approximately 60 percent from Tiger Project which will significantly reduce investment requirements. PTEC's interest in the Tiger Project must be confirmed by the end of March in order to secure the available funding.
- 54. A decision to do nothing is likely to lead to the demise of the PTEC project. It would lose the benefits of the timebound options for the marine lease and licenses that it currently controls, and which are the most valuable assets in its ownership. Without significant progress on the project there is a risk that these consents will lapse and the project will collapse with the loss of the council's existing £1 million investment and a challenge to meet its net zero carbon aspirations by 2030.

# **RECOMMENDATION**

55. **Option A** – to make a further loan investment of £244,000 in PTEC subject to the conditions set out in appendix 1.

# APPENDICES

Appendix 1 - Terms for the provision of a loan investment of £244,000 to PTEC Appendix 2 – Environmental Action Plan 2019.

CONFIDENTIAL Appendix 3 – details of SPV partner (tidal energy device developer) and funding requirements for Phase 2b.

#### BACKGROUND PAPERS

56. Contracts for Difference (CfD): proposed amendments to the scheme 2020 https://www.gov.uk/government/consultations/contracts-for-difference-cfdproposed-amendments-to-the-scheme-2020 Contact Point: Chris Ashman, Director of Regeneration, 🕿 821000 e-mail *chris.ashman@iow.gov.uk* 

CHRIS ASHMAN Director of Regeneration (CLLR) STUART HUTCHINSON Cabinet Member for Resources

(CLLR) WAYNE WHITTLE Cabinet Member for Regeneration and Business Development

Decision

Signed

Date

#### Terms for the provision of a loan investment of £244,000 to PTEC

- I. Agreement of suitable milestones and associated payments;
- II. Formal confirmation from PTEC that applications will be submitted for the extension of all necessary consents and approvals
- III. PTEC confirmation that the likely success of the project is not predicated on further low cost finance from the Isle of Wight Council;
- IV. Formal confirmation from the tidal energy device developer of its commitment to the proposed joint venture (SPV) arrangement with PTEC and details of any due diligence undertaken by PTEC with respect to the device developer's financial standing and ability to deliver on the arrangement;
- V. Formal confirmation of the availability of EU Tiger Funds for the project initiative and that funds are ring fenced to PTEC, for both the reinstatement (2a) and financial close (2b) phases;
- VI. That no surface piercing structures exceeding a height of 3 metres at mean low tide will be allowed to use the PTEC facility without the unanimous agreement of the PTEC Board;
- VII. The council's satisfaction with its own separate due diligence exercise on the financial modelling which is expected to secure financial close on the project;
- VIII. PTEC entering into early discussions with Solent Local Enterprise Partnership to identify alternative options for the funding of the financial close works;
  - IX. Any loan sum advanced by the council will be provided on the same basis as the original investment;
  - X. In making this investment the council is not committing to, or is obliged to, make any further investment in PTEC.

# Environmental Action Plan

Ref	Торіс	Action
1	Future Energy System	<ul> <li>1(a) Deliver the Innovate UK-funded Smart Local Energy Systems Concept and Design study called "Energy Autonomous Community (Isle of Wight)" project, working in collaboration with the University of Portsmouth.</li> <li>1(b)Contact the local HE sector, principally Portsmouth &amp; Southampton Universities, to discuss opportunities for undergraduate and postgraduate projects.</li> <li>1(c) Consider a formal agreement with the network operator (Scottish &amp; Southern Electricity Networks) to collaborate on designing a network that meets the Island's ambitions and to approach the Regulator together if regulatory change is required.</li> <li>1(d) Reinvigorate the PTEC tidal energy project off the South Coast</li> </ul>
2	Sustainable Tourism	<ul> <li>Work with Visit Isle of Wight to produce a vision for Sustainable Tourism</li> </ul>
3	Promoting the Biosphere	<ul> <li>If the Biosphere Nomination is successful, develop a Biosphere Action Plan</li> </ul>
4	Promoting Electric Vehicles and Low Carbon Fuels	<ul> <li>4(a) Council to purchase 4 electric vehicles</li> <li>4(b) Extend the EV charge point network in public car parks</li> <li>4(c) Offer 12 months free parking (All-Island Car Park Permit) in council car parks for new plug-in zero emission electric vehicles registered to an Island address between 01.04.19 – 31.03.20</li> <li>4(d) Offer free parking for EV owners in dedicated bays whilst vehicle is charging</li> </ul>
5	Conserving our water supplies	<ul> <li>Plan a new public education campaign with Southern Water for delivery in 2020</li> </ul>
6	Farming & Rural Enterprise	<ul> <li>Hold a Rural Summit in partnership with Natural Enterprise to consider environmental issues in the context of Brexit and DEFRA's "public money for public goods" agenda</li> </ul>

Proposed Environmental Action Plan 2019			
Ref	Торіс	Action	
7	Involving the Community	• Explore new methods of verge management to encourage wildlife and biodiverse habitats	
8	Reducing travel impacts	<ul> <li>8(a) Encourage higher priority for active travel (walking, cycling) in new road schemes and developments</li> <li>8(b) Promote designation of quiet lanes (20mph) to link bridleway and footpath network</li> <li>8(c) Promoting greater awareness of safe walking routes to schools</li> </ul>	
9	Green Business Practices	Support and promote the Green Impact     Programme	
10	Circular Economy (waste and recycling)	• Work with the voluntary sector to organise the distribution of surplus food	
11	Plastic-free Island	<ul> <li>Work with partners to identify funding for an innovation programme to encourage business start-ups utilising local waste materials.</li> </ul>	