



# Energy Policy Task Group

Report of the Task Group Reconvene

Place Scrutiny Committee

September 2015

## INTRODUCTION

The Place Scrutiny Committee received an update report to their 17 June 2015 meeting on the Energy Policy and Strategy Review. Members expressed disappointment at the lack of progress made towards the recommendations laid out in the Energy Policy Task Group's Report published in November 2014 and agreed to reconvene the energy policy task group to meet with the Cabinet Member for Community and Environmental Services and the Environmental Performance Board to identify and address any barriers preventing the recommendations being progressed and to construct a timetable for implementation (see [Minute \\*80](#)).

The task group met with the Cabinet Member for Community and Environmental Services and the three senior representatives of the Environmental Performance Board, i.e. the Head of Highways, Capital Development and Waste, the Head of Planning, Transportation and Environment, as well as the Head of Business Strategy and Support on 12 August 2015.

## FINDINGS

The Cabinet Member and members of the Environmental Performance Board expressed their desire to incorporate the views of scrutiny in their future planning and delivery of services. Progress against the original ten recommendations had been achieved as follows:

	Recommendation	Progress
1	To develop the ongoing scrutiny of the "One Council" Energy Policy and Strategy and associated opportunities for monetary savings and investment returns, with a formal reporting mechanism to Members.	<p>From August 2015 onwards, the Cabinet Member for Community and Environmental Services will sit on the Environmental Performance Board and will attend meetings of the Place Scrutiny Committee in regular intervals in the future to update on progress.</p> <p>An Environmental Performance Management Group will commence which reports to the Environmental Performance Board which will oversee operational issues.</p>
2 3	<p>2 To collect accurate energy consumption data across the corporate estate and to record the data so that it relates to the size of the estate.</p> <p>3 <u>and</u> To implement an energy management system across the corporate and schools estates to measure and monitor the consumption of all utilities, i.e. gas, water and electricity, in order to manage and reduce the County Council's energy consumption and financial expenditure.</p>	<p>As the size of the retained estate was emerging in line with the <a href="#">Estates Strategy for Devon County Council 2012-2017</a>, energy management can now be planned effectively. The Council's energy consumption had already significantly decreased due to the disposal of assets.</p> <p>Devon County Council purchases energy through a collaborative contract with other public sector partners to achieve economies of scale. The contract is competitively tendered for at least every seven years and the <a href="#">LASER Energy Buying Group</a> will</p>

		<p>supply the Council's and some schools' electricity and gas from April 2016 onwards.</p> <p>The contract will include an Energy Management and Bureau Service which will trigger the installation of automated meter readings (AMRs) on all gas, electricity and water appliances and compare consumption with comparable local authority buildings.</p> <p>Members noted that the County Council had no form of control over the schools' management of energy consumption and/or generation.</p>
4	<p>To develop a clear and concise renewable energy strategy, identifying a prioritised list of suitable sites across the corporate estate, based on evidence of current energy consumption levels and projected return rates from individual sites.</p>	<p>The appointment of a two-year fixed-term Energy Manager is expected in the autumn 2015 who will</p> <ol style="list-style-type: none"> <li>1. oversee energy utilisation, especially following the installation of AMRs in 2016, and oversee rationalisation and savings,</li> <li>2. replicate the benefits of solar PV installations on Great Moor House and Exmouth Library across the retained estate</li> <li>3. develop a large-scale renewable energy strategy.</li> </ol>
5	<p>To work towards replicating the Okehampton model across the schools estate and explore measures by which this might be achieved, including utilising the knowledge, skills and expertise at Okehampton College.</p>	<p>Devon County Council had promoted the utilisation of the <a href="#">RE:FIT schools energy efficiency programme</a> through the Devon Education Forum. So far, 18 schools had shown an interest in participating.</p>
6	<p>Following an evaluation of the pilot installations, identify how to accelerate the rate of retrofitting schools with energy efficiency and renewable energy technologies in combination with Recommendations 3 and 4.</p>	<p>It was hoped that participating schools will showcase the programme's success and more schools will participate in the future.</p>
7	<p>To review the County Council's approaches to borrowing and investing capital reserves when presented with low risk, high return investment opportunities such as energy efficiency projects and renewable energy.</p>	<p>The County Council's approaches to borrowing and investing capital reserves are unlikely to change in the short and medium term.</p>

8	To identify council assets appropriate for community-funded renewable energy projects, develop an approach for offering these for community investment and determine how individual initiatives can be supported.	<p>It is anticipated that the Energy Manager, whose appointment is imminent, will implement this recommendation.</p> <p>Devon County Council is already preparing a <a href="#">Community Energy Legal Toolkit</a> to help community energy groups understand good practice in developing community energy projects.</p> <p>The Planning, Transportation and Environment service has also commissioned a review of the range of options which exist for local authorities to engage with community energy initiatives.</p>
9	If the use of capital reserves and prudential borrowing continues to be unviable (referring to recommendation 7), the existing outline business case prepared by the Environmental Performance Board for the development of solar PV on redundant landfill sites and park & ride facilities, and wind turbines on County Farms, should be presented to the Investment and Pension Fund Committee.	<p>The Investment and Pensions Fund Committee considered a report on the solar PV energy scheme at their meeting on 27 February 2015 and rejected the proposal on the basis of</p> <ul style="list-style-type: none"> <li>– the Pension Fund's duty to provide the best return on investment possible;</li> <li>– the potential for a conflict of interest if the Pension Fund were to make an investment into local infrastructure;</li> <li>– the potential risks involved in this type of investment in the long term.</li> </ul>
10	If the use of capital reserves and prudential borrowing continues to be unviable (referring to recommendation 7), Devon County Council should enter into a partnership with an expert body in order to produce a business case for investment by the Pension Fund in renewable energy installations across the corporate and schools estate, incorporating community investment.	<p>It is anticipated that the Energy Manager, whose appointment is imminent, will implement this recommendation.</p>

## Delivering the Energy Strategy

In addition to the evidence gathered above, the task group also heard how

- the conversion of [part-night street lighting](#) is on target to deliver 20% savings in energy consumption and associated costs. The remaining roads, which will be lit all night, will benefit from the installation of LED lights with the help of a £10.6m grant from the Department of Transport from 2016 onwards, which is forecast to save 33% in energy cost.
- the Council has leased three electric vehicles utilising a £75k grant from the Department of Energy & Climate Change for civil parking enforcement officers which will be based at County Hall, Ivybank and Kingsteignton.

With reference to any larger-scale renewable projects, the task group noted that the National Grid is at capacity until 2020 which means that no further installations will be able to feed into the National Grid until approximately then. This hinders the possible installation of solar PV at the 40 redundant landfill sites in the short term but the development of a large-scale renewable energy strategy (see recommendation 4 above) will identify the Council's options when capacity becomes available. Another possibility is the generation of energy for immediate community use without feeding it into the National Grid. Again, this is an opportunity which the Energy Manager can develop.

## CONCLUSION

Members were encouraged by the progress which had been achieved and suggested that the achievements should be communicated publically more widely. The task group will continue to keep the matter under review.

***Councillors Gordon Hook and Ray Radford***

*Copies of this report may be obtained from the Democratic Services & Scrutiny Secretariat at County Hall, Room G31, Topsham Road, Exeter, Devon, EX2 4QD or by ringing 01392 384383. It will also be available on the County Council's website at:*

*[www.devon.gov.uk/index/councildemocracy/decision\\_making/scrutiny/taskgroups.htm](http://www.devon.gov.uk/index/councildemocracy/decision_making/scrutiny/taskgroups.htm)*

*If you have any questions or wish to talk to anyone about this report please contact Janine Gassmann, Scrutiny Officer, tel. 01392 384383 or email [janine.gassmann@devon.gov.uk](mailto:janine.gassmann@devon.gov.uk)*