



# **Local Authority Energy Collaboration Project - Update**

Wednesday 13<sup>th</sup> October 2013

Scottish Renewables and Energy  
Efficiency Advisory Group

Stephen Cirell, Consultant

# Background



- Energy collaboration started in 2011 in Oxford.
- Core group of local authorities involved in development.
- Business proposal funded by Southampton, Reading and Portsmouth with financial contribution from Dudley MBC (£40k in total).
- In kind support from APSE – Staff resources/South & South west region and APSE Environment and Sustainability Strategic Forum.
- Business Proposal developed by Steve Cirell in consultation with the Core Group July – Sept 2013.
- Moving from development to business proposal to launch in 2014.
- Consultation and dialogue with the wider APSE membership..

# The Vision: The Municipalisation of Energy



***“The vision is to form an effective collaboration of a large number of local authorities to enable and facilitate the local municipalisation of energy services. By this we mean the public and community, as well as private, ownership and managerial control of local energy generation, distribution networks and delivery of energy efficiency works. Local authorities working together in this way would have great influence and would be able to deliver economies of scale in green energy to promote economic growth and combat fuel poverty”.***

The goals of the collaboration include:

- To deliver the local municipalisation of energy services;
- To save money and make money for local authorities;
- To address social objectives and deliver community benefits, such as a reduction in fuel poverty and increases in jobs and skills.

# Local Authorities engaged with the apse facilitated LA Energy Collaboration



- Plymouth City Council
- Dudley Metropolitan Borough Council
- Derbyshire County Council
- Rochdale MBC
- Oxford City Council
- Southampton City Council
- Warwickshire County Council
- Preston City Council
- Chelmsford City Council
- Reading Borough Council
- York City Council
- Portsmouth City Council
- West Lindsay District Council
- Aberdeen City Council
- Eastleigh Borough Council
- Swindon Borough Council
- Warrington Borough Council
- Scottish Borders Council
- Nottinghamshire County Council
- Rugby Borough Council
- Lancashire County Council
- Flintshire County Council
- Kent County Council
- East Ayrshire Council
- Gedling Borough Council
- East Dunbartonshire Council
- Trafford Council
- Darlington Borough Council
- Northamptonshire County Council
- Peterborough City Council
- Hampshire County Council
- Stockton-on-Tees Borough Council
- Cornwall Council
- Swansea City and County Council
- London Borough of Harrow
- Milton Keynes Borough Council
- Chesterfield Borough Council
- Oldham Metropolitan Borough Council
- Glasgow City Council
- Telford and Wrekin Council
- Wrexham County Borough Council
- Lancaster City Council
- Doncaster Council
- Middlesbrough Borough Council
- East Riding Council
- Leeds City Council
- Knowsley Metropolitan Borough Council
- Nottingham City Council
- Kirklees Council
- Barnsley Metropolitan Borough Council
- South Staffordshire Council
- East Lothian Council
- Cheshire East Council
- North Lanarkshire Council
- Flintshire County Council
- Harrogate Borough Council

# Benefits of working together



- Increased knowledge and understanding, capacity and confidence
- Access to expertise in specialist technical areas and ability to maximise on opportunities
- Reduced risk and costs in project development and delivery.
- Enhanced returns.
- Shared external and internal people resources
- Collective procurement saving time and money

# The types of activities that LA's could do better together in collaboration



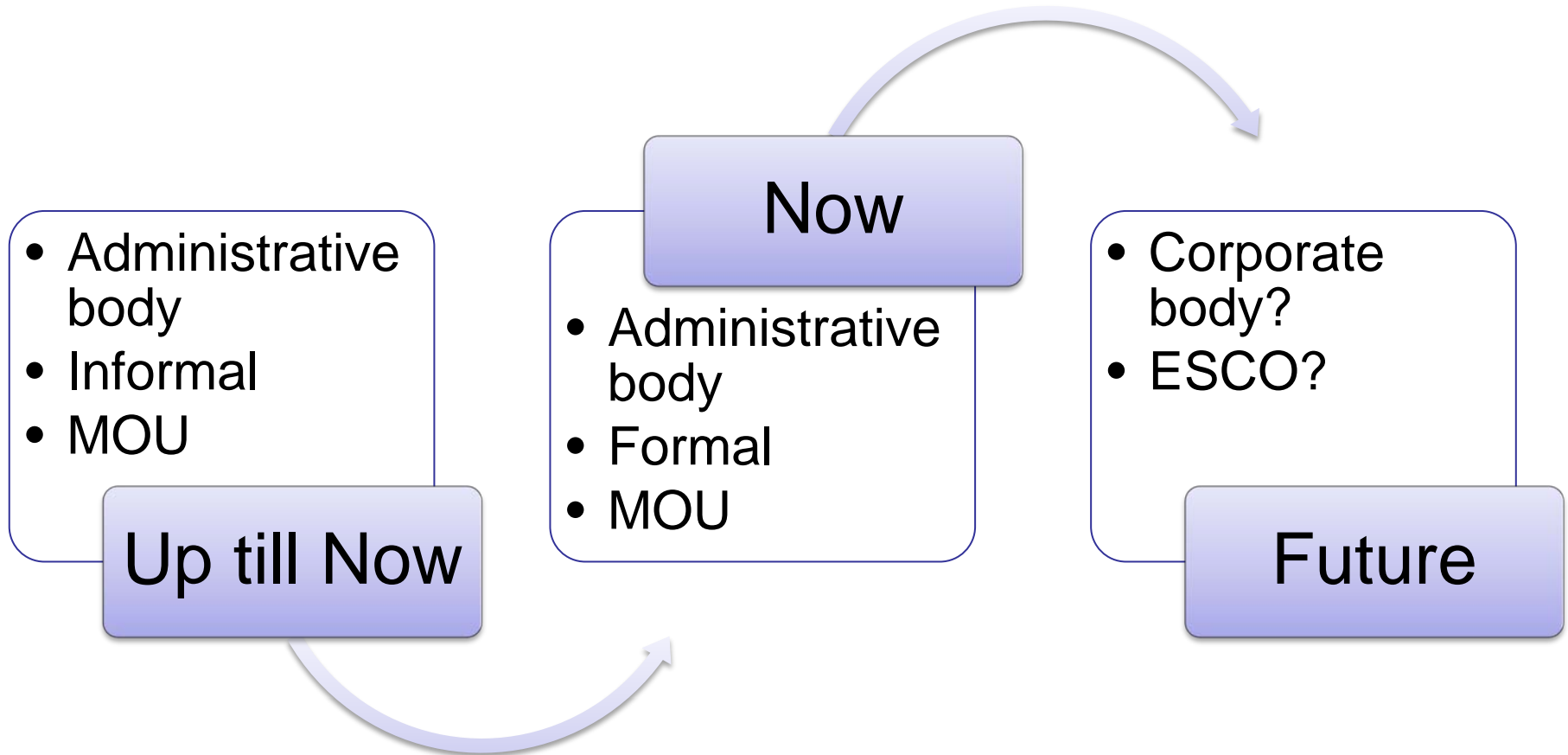
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| <ul style="list-style-type: none"><li>• <b>National Energy Policy</b></li><li>• <b>Advice</b></li><li>• <b>Generation of Energy &amp; Heat from Renewable Sources</b></li><li>• <b>Buildings and Retrofit</b></li><li>• <b>Heating Networks</b></li><li>• <b>The Biomass Supply Chain</b></li><br/><li>• <b>Power Purchase Agreement &amp; Regulation</b></li><li>• <b>Supply of Electricity &amp; Heat to Customers</b></li></ul> | <ul style="list-style-type: none"><li>• <b>Eco Construction &amp; Maintenance</b></li><li>• <b>Training &amp; Jobs</b></li><li>• <b>Allowable Solutions &amp; Civic Funds</b></li><br/><li>• <b>Revenue Recycling</b></li><li>• <b>Innovation</b></li><li>• <b>Communications Strategy &amp; Influence</b></li><br/><li>• <b>Franchising</b></li><br/><li>• <b>Creation of a Brand</b></li></ul> |
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# What could this mean in reality? A new offer from, or service by, APSE?



<p style="text-align: center;"><b>Level 1</b> knowledge hub, access to data resources &amp; shared learning</p>	<p style="text-align: center;"><b>Level 2</b> investment partnership</p>
<ul style="list-style-type: none"> <li>• <b>Learning events</b> - Expert speakers/tutors and resource materials.</li> <li>• <b>Web based knowledge hub</b> –procurement templates (PQQs, ITTs, Specs); business and financial modelling tools; data sharing and benchmarking on energy</li> <li>• <b>Strategic consultancy day</b> - consultancy support through APSE to work with strategic managers and elected members to identify opportunities.</li> <li>• <b>Feasibility studies</b> – access to feasibility study examples, support to commission studies</li> <li>• <b>Frameworks</b> – Access to common frameworks set up by members of the partnership; documentation etc.</li> <li>• <b>Buddying</b> – Mentoring and coaching service where officer from one authority who has been working on say a solar project can ‘buddy up’ with another authority looking at a similar project to provide support and assistance</li> <li>• <b>Helpline</b> –to answer specific queries on energy efficiency/renewable projects</li> <li>• <b>Technical and policy updates</b> – new technologies, regulatory frameworks, technical briefs etc.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Project development and initiation</b> – providing feasibility, business case development and advice up to the point at which projects go to ‘market’.</li> <li>• <b>Specialist legal, financial and technical advice</b> –procurement advice, financial modelling, technical input and case studies in areas of relevant interest</li> <li>• <b>Procurement frameworks</b> – procuring and negotiating frameworks on behalf of investment partners.</li> <li>• <b>Project Pipeline</b>- develop and coordinate a pipeline of investable projects and coordinate funding options and funding streams.</li> <li>• <b>Help in recruiting specialist staff</b> - e.g. Community energy officers to support local schemes.</li> <li>• <b>Investment vehicles</b> – Specialist support on external investment bonds, private equity, public offer.</li> <li>• <b>Access to investment funds</b> –providing ‘kick start’ investment for projects; co-ordinating joint investment in individual authority projects by members of the collaboration.</li> </ul>
<p><b>Cost:</b> Low annual subscription discounted for APSE corporate members.</p>	<p><b>Cost:</b> A higher one off fee discounted for APSE corporate members based on authorities bringing ‘shovel ready’ projects to the table.</p>

# The Form of the Collaboration





# What has happened so far?



- **APSE Briefing** - An APSE briefing on the collaboration and the business proposal was sent out and has attracted a great deal of interest from local authorities
- **The business proposal** – The final business proposal funded through the collaboration was launched on 1 November.
- **Registration of interest** – A form for local authorities to register initial interest in the collaboration has been sent out.
- **Promotion** – A series of advisory group presentations and briefings have been organised to engage with the wider APSE membership and in order to gauge interest in the collaboration.
- **Advocacy** – Links are being developed at a national level e.g. Alan Whitehead M.P. who sits on the Parliamentary Climate Change and Energy Select Committee.
- **APSE National Council** – A steering group has been set up and a further report on the collaboration scheduled for next meeting in December 2013

# Next steps for local authorities- how to get involved...



- Get in touch with Helen Burkhalter, Principal Advisor, [hburkhalter@apse.org.uk](mailto:hburkhalter@apse.org.uk) to be included in communications
- Consider the final business proposal document - talk with your senior management, finance colleagues and relevant elected members.
- Sign the Registration of Interest form to show commitment to the vision and indicate what level of membership your LA would be potentially interested in.
- Let Helen Burkhalter know the types of projects you want to deliver in your locality that the collaboration could help finance/support.



**Thanks and Any Questions**