

By: Mr Matthew Balfour, Cabinet Member for Environment and Transport
Ms Barbara Cooper, Corporate Director of Growth, Environment and Transport

To: Cabinet meeting – 25 April 2016

Subject: Select Committee: Energy Security

Summary: To receive and comment on the report of the Select Committee on Energy Security.

1. Introduction

Kent County Council has significant existing commitments to supporting energy generation and security, as exemplified in the work of the previous Renewable Energy Select Committee and outlined in the Kent Environment Strategy. Increasing energy prices, limited spare energy capacity and the ongoing effects of climate change make energy security a pressing issue.

The establishment of the Energy Security Select Committee demonstrates Kent County Council's ongoing commitment to furthering a balanced mix of low carbon energy generation measures, reflecting a national shift from a domination of solid fuel and petroleum in the 1970s, to an increase of natural gas from the North Sea in the 1980s, to the current growth of renewable fuels and a decline in coal.

The review also demonstrates KCC's intention to evaluate all applicable energy generation measures and to ensure that Kent has as resilient and sustainable an energy supply as possible. This should reflect an awareness of Kent's environmental opportunities as well as a consideration of matters such as landscape, historical and agricultural impacts.

The work of the Committee aimed to provide an informative and objective basis for the further development of a joint Kent and Medway energy security strategy and inform the updating of the Kent Environment Strategy, which is led by KCC's Sustainable Business and Communities team.

The supply and generation of energy for Kent, as well as the reduction of energy consumption, is of significant importance to citizens, businesses and local government alike, as are the related social, environmental, and economic impacts of such measures. This review reflects a commitment on the behalf of Kent County Council to securing the future energy needs of Kent, and ensuring that this is done in a sustainable, affordable and secure way.

2. Select Committee

2.1 *Membership*

The Chairman of the Select Committee was Mr Jim Wedgbury (Conservative). Other members of the Committee were Mr David Brazier (Conservative), Mr Brian Clark (Lib Dem), Mr Adrian Crowther (UKIP), Mr Christopher Hoare (UKIP), Mr Peter Homewood (Conservative), Mrs Eileen Rowbotham (Labour), Mr Chris Smith (Conservative) and Mrs Carole Waters (Conservative). In addition, Mr Martin Whybrow (Green) was co-opted onto the Committee.

2.2 *Terms of Reference*

The final terms of reference were:

- To clarify the meaning of “Energy Security” and the responsibilities of KCC in ensuring this security.
- To examine and assess a range of energy issues so as to best secure the future energy needs of Kent.
- To identify existing best practice across the UK and abroad on how best to strengthen a sustainable, reliable energy infrastructure for Kent.
- For the Energy Security Select Committee to make recommendations after having gathered evidence and information throughout the review.

2.3 *Evidence*

The Energy Security Select Committee conducted a programme of hearings and visits between October 2015 and January 2016. The Select Committee held fourteen hearings, from which it gathered a wealth of information and evidence from a variety of sources, including:

- Academics
- Energy generators and suppliers
- Community energy groups
- Consultants
- Other local authorities
- KCC officers

This oral evidence was complemented by written evidence which was submitted to the Committee by a variety of sources. Literature stemming from desktop research was also used to inform the review.

Four official visits also took place during the review. The visits included Islington London Borough Council’s district heat network, a range of community energy generation measures carried out by the Sustainable Sheppey project, Dungeness B nuclear power plant, and an anaerobic digester and solar farm at St Nicholas-at-Wade farm in Kent. A list of the

witnesses who provided oral and written evidence, as well as details of the visits, can be found in Appendix 1.

2.4 *Timescale*

The Select Committee met in February 2016 to make recommendations, before producing its report, which was approved at a formal meeting on 22 March 2016. Following consideration by Cabinet the report will be submitted to the County Council on 19 May 2016 for endorsement.

3. The Report

The executive summary of the report is attached in Appendix 2. A copy of the full report is available online (https://www.kent.gov.uk/_data/assets/pdf_file/0007/55933/Energy-Security-Select-Committee-report-March-2016.pdf) or via the Select Committee Research Officer (details below).

4. Conclusion

We welcome the report and would like to congratulate the Select Committee on completing this piece of work.

We would also like to thank all the witnesses who gave evidence to the Select Committee, and the officers who supported it.

Mr Jim Wedgbury, the Chairman of the Select Committee, and three Members of the Committee from opposition parties, will present the report to Cabinet. The Committee would welcome your comments.

5. Recommendations

5.1 The Select committee be thanked for its work and for producing a relevant and balanced document.

5.2 The witnesses and others who provided evidence and made valuable contributions to the Select Committee be thanked.

5.3 Cabinet's comments on the report and its recommendations be welcomed.

Select Committee Research Officer:

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Evidence

Oral Evidence

A summary of the key topics discussed between witnesses and Members has been provided underneath each session.

Friday 13 November 2015

- **Carolyn McKenzie, Neil Hilkenne, Steve Baggs**, Growth, Environment and Transport Directorate, KCC

Tuesday 17 November 2015

- **Robert Jeffery and Cian Fitzgerald**, OVO Energy
- **Chris Jelly**, Elham Going Green

Thursday 26 November 2015

- **Mary Thorogood and Mel Rogers**, Vattenfall
- **Phillip Jackson**, Daedalus Environmental/E3
- **Nick Swinford**, University of Kent

Friday 4 December 2015

- **Prof. Gordon MacKerron and Emily Cox**, Sussex Energy Group/University of Sussex
- **Dr Wim Melis**, University of Greenwich
- **Stephanie Karpetas**, Sustainability Connections

Tuesday 15 December 2015

- **Jeremy Martin**, Southend-on-Sea Borough Council
- **Matthew Morris**, Kent Downs AONB
- **Joseph Grice**, London Borough of Islington

Wednesday 16 December 2015

- **Andy Morgan**, LASER
- **Carolyn McKenzie, Neil Hilkene, Steve Baggs**, Growth, Environment and Transport Directorate, KCC

Written Evidence

- **James Diggle**, External Communications Manager, EDF Energy
- **Chris Jelly**, Elham Going Green
- **Professor Gordon MacKerron and Miss Emily Cox**, Sussex Energy Group/University of Sussex
- **Dr Wim Melis**, University of Greenwich

Visits

Wednesday, 4 November 2015

- Islington LB District Heat Network

Monday, 30 November 2015

- St Nicholas-at-Wade Farm, St Nicholas-at-Wade

Tuesday 8 December 2015

- Sustainable Sheppey, Isle of Sheppey

Monday, 14 December 2015

- Dungeness B Nuclear Power Station, Dungeness

Executive Summary

1.1. Committee Membership

1.1.1. The Committee consists of ten Members of Kent County Council (KCC): five members of the Conservative Party, two members of the UK Independence Party (UKIP), one member of the Labour Party, one member of the Liberal Democrat Party and one (co-opted) member of the Green Party¹.



Mr David Brazier

Conservative

Sevenoaks North East



Mr Brian Clark

Liberal Democrat

Maidstone South



Mr Adrian Crowther

UKIP

Sheppey



Mr Christopher Hoare

UKIP

Tunbridge Wells East



Mr Peter Homewood

Conservative

Malling Rural North
East



Mrs Eileen Rowbotham

Labour

Deal



Mr Chris Smith

Conservative

Tonbridge



Mrs Carole Waters

Conservative

Romney Marsh

¹ Mr Martin Whybrow (Green Party) participated fully in the evidence gathering meetings, but took no part in the approval of the final report and recommendations.



Mr Jim Wedgbury
Conservative (Chair)
Ashford Central

1.2. Scene Setting

1.2.1. Kent County Council has significant existing commitments to energy generation and security, as exemplified in the work of the previous Renewable Energy Select Committee and outlined in the Kent Environment Strategy. Increasing energy prices, limited spare energy capacity and the ongoing effects of climate change make energy security a pressing issue.

1.2.2. The establishment of the Energy Security Select Committee demonstrates Kent County Council's ongoing commitment to furthering a balanced mix of low carbon energy generation measures; to fairly evaluating all applicable energy generation measures and to ensuring that Kent has as resilient and sustainable an energy supply as possible.

1.2.3. This review will aim to provide an informative and objective basis for the further development of a joint Kent and Medway energy security strategy and inform the updating of the Kent Environment Strategy, which is led by KCC's Sustainable Business and Communities team.

1.2.4. The supply and generation of energy for Kent, as well as the reduction of energy consumption, is of significant importance to citizens, businesses and local government alike, as are the related social, environmental, and economic impacts of such measures. This review reflects a commitment on the behalf of Kent County Council to securing the future energy needs of Kent, and ensuring that this is done in a sustainable, affordable and secure way.

1.3. Terms of Reference

- 1.3.1. To clarify the meaning of “Energy Security” and the responsibilities of KCC in ensuring this security.
- 1.3.2. To examine and assess a range of energy issues so as to best secure the future energy needs of Kent.
- 1.3.3. To identify existing best practice across the UK and abroad on how best to strengthen a sustainable, reliable energy infrastructure for Kent.
- 1.3.4. For the Energy Security Select Committee to make recommendations after having gathered evidence and information throughout the review.

1.4. Scope

1.4.1. The complexity of this topic and the tight timeframe of the review required a clear and focused approach. The key themes and aspects that were covered by the review are detailed below:

To clarify the meaning of “Energy Security” and the responsibilities of KCC in ensuring this security.

- a. To explore the definition of “Energy Security”.
- b. To examine the responsibilities and roles that KCC holds in securing energy security.

To examine and assess a range of energy generation methods so as to best secure the future energy needs of Kent.

- a. To investigate the various energy security measures available to KCC, Kent residents, and Kent businesses.
- b. To assess these measures and their suitability in helping to secure the future energy needs of Kent.

To identify existing best practice across the UK and abroad of how best to strengthen a sustainable, reliable energy infrastructure for Kent.

- a. To explore best practice examples, both across the UK and abroad, of how local authorities and other relevant organisations work to develop energy security and sustainability in their area.
- b. To consider how this best practice can be replicated to improve energy security in Kent.

For the Energy Security Select Committee to make recommendations after having gathered evidence and information throughout the review.

a. To use the findings of the review and the resultant recommendations to inform the development of a joint Kent and Medway energy security strategy and to contribute to the updating of the Kent Environment Strategy.

1.5. Recommendations

NB: The recommendations below are arranged in priority order. Numbering reflects order of appearance within the report text.

Recommendations 1, 2, 3, 4, 5 and 6 (combined)

That the Cabinet Member for Environment and Transport writes to the Secretary of State for Energy and Climate Change, to highlight key issues of concern for national and local energy security, such as:

- 1. The importance of further new nuclear both nationally and for Kent.**
- 2. The need for the introduction of stronger national building standards, requiring both increased energy efficiency and generation measures in new developments.**
- 3. The need for additional financial support and incentives for community energy projects following the reduction of the FiT.**
- 4. The need for local authority control and management of any future energy efficiency schemes that replace ECO.**
- 5. The need for energy utilities to produce and implement 25 year management plans, akin to those held by water utilities.**
- 6. The need to ensure that the South-East CORE is adequately resourced and supported so as to facilitate the continued uptake of renewable (wind) energy within Kent.**

Recommendation 7

That KCC, working in partnership with relevant organisations, builds on the work of the Select Committee in identifying key opportunities and risks to Kent's energy infrastructure, ensuring the evidence base underpinning our energy security is up-to-date and robust.

Recommendation 8

That KCC leads by example through driving further energy saving and energy generation measures across its estate - in accordance with KCC's Carbon Management Plan - and in partnership with Kent social housing providers and districts.

Recommendation 9

That KCC creates a communications strategy strengthening its engagement with businesses and local communities to help them understand the benefit of reducing energy use and generating their own energy.

Recommendation 10

That KCC investigates the feasibility of creating investment measures to develop local, low-carbon energy generation and diversification projects.

Recommendation 11

That KCC works with partners and local authorities to influence the design and planning process for developments from the start, so as to ensure that they are as energy efficient as possible.

Recommendation 12

That KCC works with educational institutions within Kent to ensure that students and apprentices are given the necessary skillsets and expertise required for working across the energy sector.

Recommendation 13

That KCC continues to strengthen its ability to work in partnership with local authorities, relevant agencies, businesses, community groups and the education and training sector to make sure that a comprehensive approach is taken in ensuring energy security for Kent.

Recommendation 14

That LASER and Sustainable Business and Communities investigate the feasibility of KCC establishing itself as an energy supplier to the local community.

Recommendation 15

That KCC works in partnership with UKPN and relevant energy generation companies within Kent to better understand the risks to Kent's energy systems and how these can be mitigated.
