

CITY AND COUNTY OF SWANSEA

MINUTES OF THE COMMUNITIES CABINET ADVISORY COMMITTEE

HELD AT COMMITTEE ROOM 3, CIVIC CENTRE, SWANSEA ON
THURSDAY, 9 FEBRUARY 2017 AT 2.00 PM

PRESENT: Councillor R A Clay (Chair) Presided

Councillor(s)
J E Burtonshaw
T J Hennegan
R D Lewis

Councillor(s)
U C Clay
Y V Jardine
G J Tanner

Councillor(s)
A M Cook
M B Lewis

Officer(s)

M Nicholls
T Shaw
S Woon

Director of Place
Energy Manager
Democratic Services Officer

Also Present:

Councillor A S Lewis, Cabinet Member for Next Generation Services
Councillor P M Meara
R Evans, Local Partnerships
T Lawson, Local Partnerships

Apologies for Absence

Councillor(s): N J Davies

35 **DISCLOSURES OF PERSONAL AND PREJUDICIAL INTERESTS.**

In accordance with the Code of Conduct adopted by the City and County of Swansea, no interests were declared.

36 **MINUTES:**

RESOLVED that the minutes of the meetings held on 10 November, 2016 and 12 January 2017 be approved and signed as a correct record.

37 **ENERGY COMPANY OPTIONS - PRESENTATION BY RICHARD EVANS AND TONY LAWSON.**

Richard Evans and Tony Lawson, Local Partnerships, provided a presentation on Energy Supply Company Context and Considerations.

The presentation detailed:

- Local Partnerships – Who we are, what we do and examples of our work.
- National Context.
- Energy Market and Benefits to Local Government.
- Possible Supplier Models.

- Advantages and Disadvantages of Supplier Models.
- Principle Risks for Local Authorities.
- Resources Required.

Members discussed the presentation.

In response to Member questions, Richard Evans and Tony Lawson stated that:

- It is possible to 'mix and match' supplier models;
- There is no empirical market information to make a conclusion regarding the success of energy companies;
- It may be possible to supply to some parts of Swansea initially then link up in the future. If Swansea owned several generating plants, it could be closed circuit if the energy supplying plant is situated next to housing. Could be done piecemeal and form a company in the future;
- Careful consideration would need to be given in respect of marketing the launch of a Council run energy company in order to get sufficient numbers of customers to break even;
- They were unsure whether the Council could set up a fully licensed, regulated body on a pilot basis;
- A Council run energy company allows flexibility to target certain areas with high fuel poverty with preferential tariffs.
- They were unaware of any legal restrictions regarding agreements with lots of smaller suppliers and selling to customers on that basis. However, the speed in which customers signed up to the council tariff would be critical;
- If the Council were generating energy, sleeved arrangements, could be set up (as is the case in Scotland).

The Cabinet Member for Next Generation Services stated that further work was required to determine the viability of the business plan. She referred to the Council's objective in relation to tackling poverty, in particular, fuel poverty, which could provide lower energy bills.

In response to Member comments, the Director of Place stated that in terms of the Energy Strategy the Authority needed to determine its approach to renewables (solar, wind etc.). Furthermore, energy company options needed to be fully investigated.

With regard to the Council setting up its own energy company, he stated that there was an expectation for regional working, which could be extended to other public sector organisations prior to developing proposals. Furthermore, the Welsh Government's ambition to make Wales green may result in this being dealt with on an 'all Wales' basis.

Consideration would need to be given to link any proposals with the City Deal, specifically around homes for power stations, capturing and storing. If the Council were looking at this in incremental fashion it would need to determine which of the models would best fit. Further analysis could be made following the publication of the trading results for Nottingham Council's 'Robin Hood Energy Company'.

In terms of this piece of work, it was anticipated that any decisions would be made by the successor Council post May 2017.

The Chair thanked Richard Evans and Tony Lawson for their informative presentation.

RESOLVED that:

1. The presentation be **NOTED**;
2. The Director of Place provide an update on the Energy Strategy Action Plan (priorities for the next 12 months) at the meeting on 9 March, 2017;
3. The Director of Place provide an update on the regional working proposals with energy from waste facility for the meeting on 9 March, 2017;

38 **WORK PLAN 2016-2017.**

The Chair presented an updated Work Plan 2016/2017.

RESOLVED that:

- a) An amendment be made to the Work Plan item regarding the Passiv Haus Welcome pack. The item is now to read Engagement Plans for Council Houses;
- b) The Chair invite the Chief Executive of Haslow Housing Association and two Passiv Haus tenants to attend a future meeting to detail their experiences; and
- c) The Tackling Poverty Scrutiny Inquiry Panel Recommendations scheduled for consideration on 9 March, 2017 be rescheduled to 13 April, 2017.

The meeting ended at 3.32 pm

CHAIR