

Report of the Director of Place

Climate Change & Nature Recovery Service Transformation Committee –
9 September 2024

Local Area Energy Plan - Status Report

Purpose:	To advise the Committee of the development of Swansea's Local Area Energy Plan.
Policy Framework:	Climate Change & Nature Recovery Strategy.
Consultation:	Access to Services, Finance, Legal.
Recommendation(s):	It is recommended that: - 1) The Committee notes the progress of Swansea's Local Area Energy Plan.
Report Author:	Andy Edwards
Finance Officer:	Ben Smith
Legal Officer:	Kieran O'Carroll
Access to Services Officer:	Rhian Millar

1 Background

- 1.1 A Local Area Energy Plan (LAEP) is the strategic plan, within a defined geographic area, for how the energy systems will be decarbonised. It results in a fully costed plan that identifies the change that needs to happen, detailing 'what, where, when and by whom'. The aim is to achieve Net Zero by 2050.
- 1.2 A LAEP addresses electricity, heat, and gas networks, future potential for hydrogen, the built environment (industrial, domestic and commercial) its fabric and systems, flexibility, energy generation and storage, and providing energy to decarbonised transport e.g. electricity to electric vehicles and charging infrastructure.
- 1.3 Welsh Government have split councils into 4 regions, to work together while producing their own plans. Swansea is part of the Southwest Wales region, along with Neath Port Talbot, Carmarthenshire and Pembrokeshire.
- 1.4 Welsh Government appointed a specialist company to work with each region, and the individual councils, to produce their LAEPs. City Science have been appointed to work with the Southwest Wales region.
- 1.5 These locally developed plans feed into the regional and national energy strategies.
- 1.6 On 9th December 2023, the committee considered the LAEP's development. The final plan was presented to Cabinet on 16th May 2024.

2 Report

- 2.1 Swansea's LAEP consists of 2 documents: the Local Area Energy Plan and a Technical Annex.
 - 2.1.1 The LAEP is the primary document that sets out the context, vision, potential interventions and an action plan.
 - 2.1.2 This is supplemented by a Technical Annex that provides more detailed information, offering a deeper understanding of the intricacies and specifics surrounding the local energy landscape and the strategic approach outlined in the LAEP.
 - 2.2 The context of the plan takes into account Swansea's history, geography, demography, economy and housing; the policy and strategic context within which it sits; and the energy systems that currently serve the area. It considers Swansea as a locality, as well as part of the Southwest Region, Wales and the UK.
 - 2.3 It uses this to present a comprehensive vision for Swansea's future energy system, delineating the essential characteristics it will need to achieve a net zero energy system by 2050. It outlines a potential pathway towards this goal, which is used to develop and support a detailed Action Plan.
 - 2.3.1 The Vision considers three pathways:
 - **Do Nothing:** Where there are no new initiatives or interventions. This provides a baseline to consider the other pathways against.
 - **Widespread Engagement:** Places a great emphasis on behaviour change within the general public, as it requires a widespread uptake of heat pumps, significant use of public transport and high EV adoption across all vehicles. The use of hydrogen is confined mainly to industry, alongside greater electrification.
 - **Widespread Hydrogen:** Change will be driven from a top-down, system-wide approach with hydrogen infrastructure forming a key driver for heating. Hydrogen will be the main fuel for industry and a key fuel for heavy vehicles. Private transport will be electrified and use of public transport will still increase.
 - 2.3.2 The two new pathways share some common features, especially in the first few years, but the difference is the importance that is placed upon behaviour change.
 - 2.3.3 The pathways begin to diverge at the point where the UK Government makes its decision on Hydrogen for heating – currently scheduled for 2026. This decision is outside of Swansea's control but will influence how our LAEP develops.
 - 2.4 The plan identifies six intervention areas:
 - Building Efficiency & Retrofit
 - Building heating
 - Transport
 - Industry
 - Renewable Generation
 - Energy Network Impacts
- These interventions are then assessed against the following factors:
- Carbon Emissions
 - Indicative Cost
 - Energy Reduction

2.5 These intervention areas are brought together to identify fifteen priority actions under five headings:

	Action	Delivery Timeframe
Crosscutting Enabling Actions	1. Establish a Regional LAEP Steering Group	Short
	2. Support long-term green skills programme	Medium
	3. Embed LAEP learnings into wider council processes & communications	Short
Building Efficiency, Retrofit & Heat Actions	4. Retrofit & Heat Bulk Purchasing Scheme for social housing	Medium
	5. Development of a Retrofit and Low Carbon Heating Local Supply Chain	Medium
	6. Develop a Retrofit & Low Carbon Heating One Stop Shop	Long
	7. Support the Re:fit Programme to decarbonise public buildings (non-social housing)	Medium
Transport Actions	8. Enhance active travel & public transport	Long
	9. Facilitate low & zero carbon vehicle public fleet uptake	Medium
	10. Improve the accessibility of EV generation charging infrastructure	Long
Generation & Networks Actions	11. Continue collaboration with electricity & gas network operators	Short
	12. Address future needs of hydrogen-fuelled vehicles	Short
	13. Facilitate renewable & low carbon industry energy schemes via supportive planning processes	Medium
Industry Actions	14. Establish an Industry Engagement Forum	Short
	15. Support the Green Industries Investment Zone	Medium

2.6 Some of the actions are priorities only for Swansea, others are shared priorities across the region and others, although only being a priority for Swansea, require regional cooperation.

3 Progress

- 3.1 The final report has been agreed and City Science are in the process of translating both the LAEP and the Technical Annex into Welsh. Once these have been received, they will be published on the Council's website.
- 3.2 It is proposed that the governance of local area energy planning, within the Southwest region, is aligned with the broader regional governance framework of the

Corporate Joint Committees; specifically, the Energy Core Group will act as a regional steering group for the LAEPs.

- 3.3 The LAEP will be working closely with the Climate Change and Nature Recovery agenda to ensure communication plans are aligned.
- 3.4 Actions such as the Re:Fit programme for Public Sector Buildings are existing priorities that have been adopted by the LAEP as they are an area of delivery over which we have an element of control.
- 3.5 The Electricity and Gas Network operators have been major stakeholders in understanding likely Future Energy Systems and will be integrated into the regional governance structures in an advisory capacity.
- 3.6 Swansea Council, along with other local authorities, is exploring becoming members of the South Wales Industrial Cluster, to improve the engagement of the LAEP with Industry stakeholders.

4 Risks and Mitigation

- 4.1 The delivery of the plan is dependent upon a number of factors outside of our control:
 - UK & Welsh Government Policy;
 - Funding;
 - Decisions taken by private businesses and individuals;
 - Technological development.
- 4.2 Swansea, along with its regional partners, will continue to work hard to deliver on the actions that are within its control and to engage with, and influence, other stakeholders whose activity will impact upon the delivery of Net Zero by 2050.

5 Integrated Assessment Implications

- 5.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the Socio-Economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure 2011, and must in the exercise of their functions, have due regard to the need to:
 - Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
 - Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - Foster good relations between people who share a protected characteristic and those who do not.
 - Deliver better outcomes for those people who experience socio-economic disadvantage
 - Consider opportunities for people to use the Welsh language
 - Treat the Welsh language no less favourably than English.
 - Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.
- 5.2 The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.

- 5.3 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.
- 5.4 An IIA Screening Form has been completed with the agreed outcome that a full IIA report is not required. This report covers an overarching strategy where each action as and when pursued will be screened independently. The IIA screening form is attached as Appendix A.
- 5.5 A full IIA report is not required. This report covers an overarching strategy where each action as and when pursued will be screened independently.
- **Summary of impacts identified and mitigation needed:** If we move in the right direction and bring citizens along with us then all benefits could and should be very positive, e.g. reduction in fuel poverty, local food supply, improved health and well-being, reduced fire, flooding to name but a few.
 - **Summary of involvement:** A broad range of stakeholders have contributed to the development of the plan. These stakeholders have been involved at every stage and include representation from the public, private and third sectors, as well as community representatives. This engagement will continue as the actions contained within the plan are developed and implemented.
 - **WFG considerations:** To note the Well-being of Future Generations is a pivotal part of our project governance structure.
 - **Any risks identified:** Risks are medium - financially we will need to continue to lobby WG to ensure funding is available to make such changes – e.g. decarbonisation of homes, transportation, active travel.
 - **Cumulative impact:** A brilliant and exciting opportunity to maximise the wellbeing of future generations and equality plan principles to make for a better Swansea by 2050.
- 5.6 This report does not make a commitment to specific actions but is indicative of the progress made so far and the direction of travel with regard to the implementation of a Local Area Energy Plan for Swansea.

6 Financial Implications

- 6.1 There are no direct financial implications associated with this report. However, it is clear that to reach both the 2030 and 2050 targets, significant investment is required and any such decisions would be subject to separate cabinet reports at the time fully outlining the financial implications with the Council continuing to lobby both Welsh and UK Governments to provide appropriate funding.

7 Legal Implications

- 7.1 There are no legal implications associated with this report.

Background Papers: None.

Appendices: Appendix A – Swansea LAEP STC Report – IIA
Appendix B – Swansea’s Local Area Energy Plan