



Nuclear Free Local Authorities Steering Committee

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NFLA publishes detailed report on how local authorities can play a pivotal future role in the development of low carbon energy projects in Britain and Ireland

The Nuclear Free Local Authorities (NFLA) today publishes a detailed report which analyses the potential development of more comprehensive joined-up local authority energy policies that can play a significant role in delivering low carbon energy and mitigating the future impact of climate change. (1)

The NFLA report looks at the progress many Councils around the UK and Ireland are playing in developing innovative renewable energy projects and extensive energy efficiency programmes. It looks at the next step in this process – the development of Local Authority Energy Service Companies (ESCOs) – which may help to deliver larger levels of decentralised renewable energy at the local community level. The report also considers the potential for major changes in the energy market and the potential for Councils to play a new, dynamic role in energy generation and demand management.

The report further looks at the political appetite for the development of such policies at the local and the national levels. It analyses two important reports in this regard which offer a radical way forward for local authorities – the IPPR's report 'City energy: A new powerhouse for Britain' (2) and the New Green Deal's report 'A National Plan for the UK – From Austerity to the Age of the Green New Deal'. (3)

The report provides case studies of the dramatic role City Councils like Munich, Hamburg, Copenhagen and Vienna are playing in delivering low carbon renewable energy generation solutions.

The key conclusions of the NFLA study are:

- The report clearly emphasises that local authorities can play a highly positive role in developing, through ESCOs or similar models, a comprehensive future energy strategy that can deliver large amounts of renewable energy generation and extensive energy efficiency programmes.
- Pursuing such policies can assist in moving Britain and Ireland away from the traditional centralised 'baseload' energy policy towards a decentralised energy model. This could provide greater energy security, whilst encouraging low carbon solutions and assisting in the alleviation of fuel poverty.
- While some of the leading local authorities in this area are some of our largest cities, this report also highlights that ambitious energy strategies can also be developed by county, district, borough and island councils as well.
- In the examples provided in the report, senior councillors and officers have developed carefully considered strategies and sometimes taken external advice. It is also fair to say that all Councils that have undertaken a substantial renewable energy scheme or energy efficiency programme have reaped significant practical, social, environmental and even economic benefits from them.
- NFLA recommend further detailed discussions through organisations like the Association for Public Service Excellence, the Core Cities Group, the various local government associations in Britain and Ireland, and with central and devolved governments to develop resilient ESCO models that are both cost effective and manage risks carefully.
- If local government is to persuade national and devolved governments to allow this policy to develop further it does require some Councils to be bold and push forward with more adventurous models.
- Within this positive emerging policy culture, NFLA supports the IPPR recommendation that a Local Authority Energy Unit should be created in the UK and Republic of Ireland Energy

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Departments, and in the relevant departments of the Scottish, Welsh and Northern Ireland Governments to provide advice to central and local government on taking such policies forward.

- Central government should encourage such developments by reducing the barriers to the development of ESCOs and similar projects, and devolving certain powers to local government.
- NFLA also encourage local authorities to work with the Green Investment Bank to deliver local, low carbon infrastructure without negatively affecting local government budgets.
- NFLA supports the recent initiative of the Local Government Association (LGA) to create a collective agency for the issuing of local authority bonds and particularly green energy municipal bonds.
- In the NFLA's view, with the required political will, considered strategic decision-making and careful risk management reduction, ESCO's and similar local authority energy schemes can be successfully developed within the next few years. Councils should look very seriously at such potential developments.

NFLA Chair, Councillor Mark Hackett said:

"I warmly welcome this well considered and researched report by the NFLA Secretariat. It points a route forward that local authorities can take to improve future energy security whilst providing ways to alleviate fuel poverty. I recommend that Council Leaders, as well as senior councillors involved in developing local energy policy and senior energy and procurement officers in Councils across Britain and Ireland read this report. I encourage Councils to be bold and move forward with developing Energy Service Companies or other low carbon energy solutions. If Munich, Copenhagen and Vienna can develop a low carbon energy future then why not London, Manchester, Glasgow, Cardiff, Belfast or Dublin?"

Ends

For more information please contact Sean Morris, NFLA Secretary on 0161 234 3244 or Pete Roche, NFLA Scotland Policy Advisor on 0131 444 1445.

Notes for editors:

- (1) The NFLA Policy Briefing on Local Authority Energy Policy is attached with this briefing and will go on the NFLA website as [http://www.nuclearpolicy.info/docs/briefings/A239_\(NB125\)_Local_authority_energy_trusts.pdf](http://www.nuclearpolicy.info/docs/briefings/A239_(NB125)_Local_authority_energy_trusts.pdf)
- (2) IPPR, 'City Energy: A new powerhouse for Britain', 17th July 2014
<http://www.ippr.org.uk/publications/city-energy-a-new-powerhouse-for-britain>
- (3) Green New Deal Group, 'A National Plan for the UK – From Austerity to the Age of the New Green Deal', September 2013
<http://www.greennewdealgroup.org/wp-content/uploads/2013/09/Green-New-Deal-5th-Anniversary.pdf>

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