

CYNGOR SIR POWYS COUNTY COUNCIL.

CABINET EXECUTIVE

Date 16th February

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Leader of Council / Leader of the Independent Group**

REPORT TITLE: Mid Wales Energy Strategy

REPORT FOR: Decision

1. Purpose

1.1 This report aims to provide Cabinet with an updated position with regards to progress of the mid Wales Energy Strategy (MWES) and seeks Cabinet's approval:

- As individual Local authorities (Powys & Ceredigion County Councils) endorse commitment to the mid Wales Energy Strategy and sign off the strategy document
- Powys and Ceredigion Senior officers to work together to develop and agree governance arrangements for the preparation of a Mid Wales Energy Strategy Delivery Plan, including the establishment of an Advisory group to advise on the Mid Wales Energy Strategy Delivery Plan.

1.2 The report is supported by the following appendix for which the recommendations outlined within this report pertain:

Appendix 1 – mid Wales Energy Strategy

2. Background

Mid Wales Energy Strategy

2.1. The Welsh Government commissioned and funded the Welsh Government Energy Service to undertake the development of Regional Energy Strategies for each Welsh region including mid Wales covering the geographies of Powys & Ceredigion.

2.2. The strategy sets the vision for mid Wales ***“To achieve a net zero-carbon energy system that delivers social and economic benefits, eliminates fuel poverty, better connects mid Wales to the rest of the UK, and contributes to wider UK decarbonisation.”***

2.3. The mid Wales Energy Strategy sets out 6 Key Priorities to tackle energy issues in the region:

Key Priority 1: Drive forward the decarbonisation of the region's housing and building stock

Key Priority 2: Work proactively to ensure that electricity and gas grids in the region are suitable for a 100% decarbonised future

Key Priority 3: Boost the use of renewable energy through new generation and storage

Key Priority 4: Accelerate the shift to zero carbon transport and improve connectivity

Key Priority 5: Develop and harness the potential of agriculture to contribute to zero carbon goals

Key Priority 6: Harness innovation to support decarbonisation and clean growth



- 2.4.** The mid Wales Energy Strategy will seek to deliver the following benefits to the economic region of mid Wales:
- Raise the level of ambition regionally on energy
 - Secure cross-sector stakeholder support for a shared place-based energy system vision for the region
 - Provide the evidence needed to demonstrate the economic benefit of investment in local energy systems
 - Develop a regional pipeline of deliverable projects and programmes that will achieve the vision

2.5. The Welsh Government Energy Service have supported the Growing mid Wales Partnership to co-produce an Energy Strategy for mid Wales over the past 18 months. The strategy demonstrates the level of effort required and local economic benefit achievable from delivering a zero-emission energy system by 2050 compared with a business-as-usual pathway. (Similar commissions have taken place in North Wales, South West Wales and South East Wales).

2.6. Decarbonisation is seen as a key priority for the region as evidenced within the Regional Economic Strategy and mid Wales Growth Deal Proposition Document, strengthened further by both Powys and Ceredigion local authorities recently declaring climate emergencies. Mid Wales transitioning towards a low carbon region and a green economy is seen as an important catalyst for change to unlock and support economic growth alongside skills and job creation post Covid.

2.7. However, it is important for members to note that the energy theme and the mid Wales Energy Strategy is much broader than just the mid Wales Growth Deal, and as such will require broad collaborative ownership and a multi stakeholder approach to co-produce, lead and

deliver elements within the strategy if we are to realise the ambitious vision set out within.

3. Advice

3.1 As mentioned in section 2.7 the mid Wales Energy Strategy is far broader than just the mid Wales Growth Deal, progress to date has been taken forward by the Growing mid Wales regional team and the governance structures developed to progress this agenda. Moving forward the region will be required to own the mid Wales energy strategy and work closely with Welsh Government and other key regional stakeholders to ensure its delivery. It is the officer's advice that a formalised regional governance structure will be required. The identified lead officer should shape this process with stakeholders and members.

3.2 Section 4 of this report outlines the resource implications and requirements to progress the MWES.

3.3 There is a significant amount of work ongoing in the region with relation to energy, decarbonisation, and climate mitigation. It is imperative that the dedicated officer establishes robust regional energy oversight to ensure engagement and alignment with PSB Carbon positive work, individual climate emergency action plan developments and existing service work in this scope. Ensuring such networks of communication are in place will support with the identification of appropriate funding sources to progress areas of focus, whilst ensuring duplication of efforts are mitigated, and where appropriate collaborative approaches can be developed, or opportunities taken advantage of where synergies may exist across existing plans.

3.4 KEY DATES/MILESTONES PHASE 2 MWES

The following table outlines some of the key dates, milestones and activity required to progress the MWES from strategy document to delivery plan and into the delivery phase.

FOCUS	TASK	ACTIVITY	DATE	LEAD
STRATEGY SIGN OFF	Powys Management Team	MWES Covering report with recommendations.	27/01/2021	Nigel Brinn/ Tom Yeo
	Powys EMT/Cabinet		09/02/2021	Nigel Brinn/ Tom Yeo
	Powys Cabinet		16/02/2021	Nigel Brinn/ Tom Yeo
	Ceredigion Management Team		Week commencing	Russell Hughes Pickering
	Ceredigion EMT/Cabinet		23/02/2021 (TBC)	Russell Hughes Pickering
	Ceredigion Cabinet		23/02/2021	Russell Hughes Pickering

GOVERNANCE	MWES Governance structure	<p>PCC/CSC Development of regional MWES governance structures for development of a delivery plan</p> <p>Alignment to GMW/ LA democratic processes</p> <p>Identification of regional SRO/ lead member/s</p> <p>Establishment of an Advisory group to advise on the MWES Delivery Plan</p>	3-6 months	Dedicated officer
STRATEGY DELIVERY PLAN	MWES Delivery Plan	<p>Review of strategy document for potential growth deal interventions</p> <p>Cross referencing and dependency mapping of regional energy strategies</p> <p>Cross reference LA service activity related to strategy aspirations/objectives.</p> <p>Engagement with key stakeholders, DNO's and SRO</p> <p>Draft outline structure of MWES delivery plan</p>	<p>Activity ongoing</p> <p>1-3 months</p> <p>3-6 months</p> <p>3-6 months</p> <p>3-6 months</p>	<p>Tom Yeo/ WGES</p> <p>WGES/ Dedicated officer</p> <p>WGES/ Dedicated officer</p> <p>WGES/ Dedicated officer</p> <p>WGES/ Dedicated officer</p>
MWES COMMUNICATIONS PLAN	MWES Communications & Engagement Plan development	<p>Identification of key stakeholder groups</p> <p>Identification of key dates and comms activity</p> <p>Preparation of key comms material, press releases etc.</p> <p>Identification of delivery plan engagement activity</p>	<p>Activity ongoing</p> <p>Activity Ongoing</p> <p>1-3 months (regularly reviewed)</p> <p>1-3 months (regularly reviewed)</p>	<p>Tom Yeo/ WGES</p> <p>Welsh Government Energy Service and dedicated officer (support of regional comms team)</p>

4. **Resource Implications**

4.1 To date resourcing of the mid Wales Energy Strategy from within the region has been led by the Energy lead of the regional Growing mid Wales Team whose role is funded from the council Transformation Fund. The

Energy Lead has worked closely with Welsh Government Energy Service colleagues to ensure the strategy is developed with mid Wales stakeholders from the private, public and third sectors. There has been key input from regional officers from various services within Powys and Ceredigion local authorities.

- 4.2** Delivery of the mid Wales Energy Strategy's ambitions will require galvanising shared priorities and interests across the public, private and third sectors whilst ensuring the region succeeds not only in developing a credible delivery plan, but also positions itself strongly within and evolving policy and funding framework (WG EAP Regional Economic Frameworks, Skills Policy, Future of EU funding and UK investment opportunities and funding).
- 4.3** Therefore, the next phase of development will require a dedicated officer to lead on behalf of the region. The signing of the mid Wales Growth Deal heads of terms was a key milestone for the region and will now require a concerted effort from all regional officers to develop the portfolio at pace to reach a full deal agreement this year. The regional team to date has played a key role supporting the development of the mid Wales Energy Strategy but all regional growing mid wales resource will now be needed if we are to meet full deal agreement in 2021.
- 4.4** The regional Growing Mid Wales team have submitted a formal bid for funding to the Welsh European Funding Office for funding under the European Social Fund (ESF) Priority 5 (Public Services Reform and Regional Working).
- 4.5** The region had developed its Vision for Growing Mid Wales document, and emerging proposals on a Growth Deal. Priority 5 funding cannot focus on the Growth Deal alone to be successful as such proposals for the region focus on developing the appropriate regional capacity to enable and support regional economic development.
- 4.6** The region has submitted a ESF P5 funding bid amounting **£1,455,248** over 3 years until June 2023. The bid outlines proposals to establish a Regional Collaboration Office – that provides the required capacity for a Growth Deal PMO, and agile capacity to support wider activity in support of economic development activity aligned to the wider strategy.
- 4.7** Senior officers from Powys and Ceredigion's Growing Mid Wales Management Group agreed resourcing of a dedicated officer to progress the Mid Wales Energy Strategy into the delivery phase would be best funded from the ESF P5 agile team budget. The proposed approach by officers is that upon the strategy being formally signed off within the region and once funding confirmation from WEFO has been sought, the region will progress recruitment of a dedicated officer utilising funding from the P5 agile team function as part of the wider Growing Mid Wales Regional Collaboration Office.

4.8 At the time of writing this paper it is important to caveat that ESF P5 funding has not been confirmed so cannot definitively be guaranteed, however regional officers are confident in securing funding with strong ongoing dialogue and positive indication received during conversations with WEFO and Welsh Government.

4.9 The Head of Finance (Section 151 Officer) notes the content of the report and confirms that the dedicated officer post will only be agreed if the ESF P5 funding bid is successful.

5. Legal implications

5.1 There are no legal implications at this time related to recommendations set out within the report.

6. Data Protection

6.1 Data protection practises have been followed during stakeholder engagement activity undertaken in the development of the strategy document and will continue in that vein when progressing with phase 2 of the project development. Advice shall be sought from data protection officers should it be required.

7. Comment from local member(s)

7.1 N/A

8. Integrated Impact Assessment

8.1 An integrated impact assessment has not been undertaken at this stage of development as it is not necessary to do so, should it be required once the strategy delivery plan is in place and the delivery phase of the project is enacted then a full impact assessment will be undertaken at that juncture.

9. Recommendation

9.1 **It is recommended that Cabinet approves the following:**

- As individual Local authorities (Powys & Ceredigion County Councils) to endorse commitment to the mid Wales Energy Strategy and sign off the strategy document
- Powys and Ceredigion Senior officers to work together to develop and agree governance arrangements for the preparation of a Mid Wales Energy Strategy Delivery Plan, including the establishment of an Advisory group to advise on the Mid Wales Energy Strategy Delivery Plan.

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